

REFINITIV

# DELTA REPORT

## 10-K

KKR & CO. INC.

10-K - DECEMBER 31, 2023 COMPARED TO 10-K - DECEMBER 31, 2022

The following comparison report has been automatically generated

|              |       |
|--------------|-------|
| TOTAL DELTAS | 20145 |
| CHANGES      | 1060  |
| DELETIONS    | 12590 |
| ADDITIONS    | 6495  |

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

Form 10-K

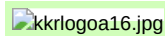
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended **December 31, 2022** **December 31, 2023**

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the Transition period from to  
Commission File Number 001-34820



KKR & CO. INC.

(Exact name of Registrant as specified in its charter)

Delaware  
(State or other Jurisdiction of  
Incorporation or Organization)

88-1203639  
(I.R.S. Employer  
Identification Number)

30 Hudson Yards  
New York, New York 10001  
Telephone: (212) 750-8300

(Address, zip code, and telephone number, including area code, of registrant's principal executive office.)  
Securities registered pursuant to Section 12(b) of the Act:

| Title of each class                                                | Trading symbol(s) | Name of each exchange on which registered |
|--------------------------------------------------------------------|-------------------|-------------------------------------------|
| Common Stock                                                       | KKR               | New York Stock Exchange                   |
| 6.00% Series C Mandatory Convertible Preferred Stock               | KKR PR C          | New York Stock Exchange                   |
| 4.625% Subordinated Notes due 2061 of KKR Group Finance Co. IX LLC | KKRS              | New York Stock Exchange                   |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 and 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☒

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☐ No ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

|                         |                                     |                           |                          |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/>            | Smaller reporting company | <input type="checkbox"/> |
|                         |                                     | Emerging growth company   | <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of common stock of the registrant held by non-affiliates as of **June 30, 2022** **June 30, 2023**, was approximately **\$29.9 billion** **\$36.3 billion**. As of **February 24, 2023** **February 27, 2024**, the registrant had **861,107,985** **885,005,588** shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE  
None

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KKR & CO. INC.

FORM 10-K

For the Year Ended **December 31, 2022** December 31, 2023

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which reflect our current views with respect to, among other things, our operations and financial performance. You can identify these forward-looking statements by the use of words such as "outlook," "believe," "think," "expect," "potential," "continue," "may," "should," "seek," "approximately," "predict," "intend," "will," "plan," "estimate," "anticipate," the negative version of these words, other comparable words or other statements that do not relate strictly to historical or factual matters. Without limiting the foregoing, statements regarding the declaration and payment of dividends on common or preferred stock of KKR & Co. Inc.; the timing, manner and volume of repurchase of common stock pursuant to its repurchase program; expansion and growth opportunities and other synergies resulting from acquisitions, reorganizations or strategic partnerships; the return of balance sheet capital if a fund has a successful fundraise; investment opportunities offered to individual investors to continue to grow and to represent a larger percentage of our assets under management; the estimate of the amounts expected to be owed under the tax receivable agreement; the ability of core private equity investments to generate earnings that compound over a long period of time; and the timing and completion of certain transactions contemplated by the Reorganization Agreement (as defined below); and the implementation, growth and synergies relating to the strategic initiatives previously announced on November 29, 2023 may constitute forward-looking statements. Forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements or cause the anticipated benefits and synergies from transactions to not be realized. We believe these factors include those described in the section entitled "Risk Factors" in this report, Annual Report on Form 10-K (our "Annual Report" or "report"). These factors should be read in conjunction with the other cautionary statements that are included in this report and in our other filings with the U.S. Securities and Exchange Commission (the "SEC" ("SEC")). We do not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

## CERTAIN TERMS USED IN THIS REPORT

In this report, references to "KKR," "we," "us" and "our" refer to KKR & Co. Inc. and its subsidiaries, including The Global Atlantic Financial Group LLC ("TGAFG" and, together with its insurance companies and other subsidiaries, "Global Atlantic"), unless the context requires otherwise.

References to the "Series I preferred stockholder" or "KKR Management" are to KKR Management LLP, the holder of the sole outstanding share of our Series I preferred stock. References to our "senior principals" are to our senior employees who hold interests in the Series I preferred stockholder, including Mr. Henry Kravis and Mr. George Roberts (our "Co-Founders"). References to "principals" are to our current and former employees who formerly held interests in KKR Holdings L.P. ("KKR Holdings"), which we acquired on May 31, 2022, pursuant to the Reorganization Agreement, as discussed below. References to "carry pool participants" are to our current and former employees who hold interests in our "carry pool," which refers to the carried interest generated by KKR's business that is allocated to KKR Associates Holdings L.P. ("KKR Associates Holdings"), in which carry pool participants are limited partners. KKR Associates Holdings is currently not a subsidiary of KKR & Co. Inc.

KKR Group Partnership L.P. ("KKR Group Partnership") is the intermediate holding company that owns the entirety of KKR's business. Unless otherwise indicated, references to equity interests in KKR's business, or to percentage interests in KKR's business, reflect the aggregate equity interests in KKR Group Partnership, and are net of amounts that have been allocated to carry pool participants and any other holders of minority interests in KKR Group Partnership. References to "KKR Group Partnership" for periods prior to January 1, 2020 refer to KKR Fund Holdings L.P., KKR Management Holdings L.P. and KKR International Holdings L.P., collectively, which were combined on that date to form KKR Group Partnership. References to a "KKR Group Partnership Unit" refer to (i) one Class A partner interest in each of KKR Fund Holdings L.P., KKR Management Holdings L.P. and KKR International Holdings L.P., collectively, for periods prior to prior to January 1, 2020, and (ii) one Class A partner interest in KKR Group Partnership for periods on and after January 1, 2020. "Exchangeable securities" refers to securities that have the right to acquire KKR Group Partnership Units and to exchange them for our shares of common stock. As of the date of this report, our only outstanding exchangeable securities are vested (i) restricted holdings units issued through KKR Holdings II L.P. ("KKR Holdings II"), which are issued under the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (the "2019 Equity Incentive Plan"), and (ii) restricted holdings units issued through KKR Holdings III L.P. ("KKR Holdings III"), which are not issued under the 2019 Equity Incentive Plan and are currently held by certain Global Atlantic employees who received 2.6 million units (a majority of which are unvested) in connection with the January 2, 2024 transaction described below. In the future, we may issue securities other than restricted holdings units that may constitute exchangeable securities.

On October 8, 2021, KKR entered into a Reorganization Agreement (the "Reorganization Agreement") with KKR Holdings, KKR Management, KKR Associates Holdings, and the other parties thereto. Pursuant to the Reorganization Agreement, the parties agreed to undertake a series of integrated transactions to effect a number of transformative structural and governance changes, including (a) the acquisition by KKR of KKR Holdings and all of the KKR Group Partnership Units held by it (which as noted below was completed), (b) the future elimination of voting control by KKR Management and the Series I preferred stock held by it, (c) the future establishment of voting rights for all common stock on a one vote per share basis, including with respect to the election of directors, and (d) the future control of the carry pool by KKR. On May 31, 2022, KKR

completed the acquisition of KKR Holdings and the 258.3 million KKR Group Partnership Units held by it, and in exchange KKR issued and delivered 266.8 million shares of common stock to our principals. On the "Sunset Date" (which will occur no later than December 31, 2026), KKR will cancel the Series I preferred stock, establish voting rights for all common stock on a one vote per share basis, and acquire control of the carry pool. For more information about the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement" in this report.

KKR's asset management business is conducted by Kohlberg Kravis Roberts & Co. L.P. and various other subsidiaries of KKR & Co. Inc. other than Global Atlantic. KKR's insurance business is operated by Global Atlantic, which KKR acquired a majority controlling interest in on February 1, 2021 (the "GA" ("2021 GA Acquisition")). On January 2, 2024 KKR acquired all the remaining equity interests in Global Atlantic that KKR did not already own. As of January 2, 2024, KKR owns 100.0% of Global Atlantic. KJR Management ("KJRM") is a Japanese real estate asset manager, which KKR acquired on April 28, 2022.

References to our "funds," "vehicles," or "investment vehicles" refer to a wide array of investment funds, vehicles and accounts that are advised, managed or sponsored by one or more subsidiaries of KKR, including collateralized loan obligations ("CLOs") and business development companies (each, a "BDC"), unless the context requires otherwise. These references do not include the investment funds, vehicles or accounts of any hedge fund partnership or any other third-party asset manager with which we have formed a strategic partnership or have acquired a minority ownership interest. Unless the context requires otherwise, references to "fund investors" or "investors in our investment vehicles" refers to the third-party investors in our these funds and investment vehicles. References to "strategic investor partnerships" refers to separately managed accounts with certain investors, which typically have investment periods longer than our traditional funds and typically provide for investments across different investment strategies. References to "hedge fund partnerships" refers to strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake.

Unless otherwise indicated, references in this report to our outstanding common stock on a fully exchanged and diluted basis reflect (i) actual shares of common stock outstanding, (ii) shares of common stock into which all outstanding shares of Series C Mandatory Convertible Preferred Stock ~~are were~~ convertible (for periods prior to the date of its mandatory redemption, which occurred in September 2023), and (iii) shares of common stock issuable pursuant to equity awards actually granted pursuant to the Amended and Restated KKR & Co. Inc. 2010 Equity Incentive Plan (the "2010 Equity Incentive Plan" and, together with the 2019 Equity Incentive Plan, our "Equity Incentive Plans"). Our outstanding common stock on a fully exchanged and diluted basis does not include shares of common stock available for issuance pursuant to the Equity Incentive Plans for which equity awards have not yet been granted.

In this report, the term "GAAP" refers to accounting principles generally accepted in the United States of America. We disclose certain financial measures in this report that are calculated and presented using methodologies other than in accordance with GAAP, including after-tax distributable earnings, distributable operating earnings, fee related earnings ("FRE"), asset management segment revenues, book value and book value per adjusted share. We believe that providing these performance measures on a supplemental basis to our GAAP results is helpful to stockholders in assessing the overall performance of KKR's businesses. These non-GAAP financial measures should not be considered as a substitute for similar financial measures calculated in accordance with GAAP. We caution readers that these non-GAAP financial measures may differ from the calculations of other investment managers, and as a result, may not be comparable to similar measures presented by other investment managers. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, where applicable, are included under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Non-GAAP Performance Balance Sheet Measures—Reconciliations to GAAP Measures." This report also uses the terms assets under management ("AUM"), fee paying assets under management ("FPAUM") and capital invested. You should note that our calculations of these and other operating metrics may differ from the calculations of other investment managers and, as a result, may not be comparable to similar metrics presented by other investment managers. These non-GAAP and operating metrics are defined in the section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Segment and Non-GAAP Performance Measures Measures—Other Terms and Other Operating Measures. Capital Metrics."

The use of any defined term in this report to mean more than one entity, person, security or other item collectively is solely for convenience of reference and in no way implies that such entities, persons, securities or other items are one indistinguishable group. For example, notwithstanding the use of the defined terms "KKR," "we" and "our" in this report to refer to KKR & Co. Inc. and its subsidiaries, each subsidiary of KKR & Co. Inc. is a standalone legal entity that is separate and distinct from KKR & Co. Inc. and any of its other subsidiaries. Any KKR entity (including any Global Atlantic entity) referenced herein is responsible for its own financial, contractual and legal obligations. Additionally, references to "including" are for the purpose of illustration and shall be read to mean "including but not limited to."

without limitation" unless the context explicitly requires otherwise.

## SUMMARY RISK FACTORS

The following is a summary of the risk factors associated with investing in our securities. You should read this summary together with a more detailed description of these risks in the "Risk Factors" "Risk Factors" section of this report and in other filings that we make from time to time with the SEC.

We are subject to risks related to our business, including risks involving:

- difficult market and economic conditions;
- geopolitical developments and other local and global events;
- disruptions caused by public health crises, such as COVID-19;
- natural disasters, catastrophes, or potential changes in debt financing markets;
- transition away from LIBOR; climate conditions;
- significant liquidity requirements and sources of liquidity;
- "clawback" provisions in our governing agreements;
- assets we refer to as "perpetual capital" "perpetual capital" being subject to material reduction;
- high variability in our earnings and cash flow;
- "clawback" provisions in our governing agreements;
- inability to raise additional or successor funds successfully;
- intense competition in the investment management business; and insurance industries;
- increasing focus by stakeholders on ESG matters;
- changes in relevant tax laws, regulations and treaties or adverse interpretations by tax authorities;
- our dependence on our founders and other key personnel;

- recruiting, retaining and motivating our employees and other key personnel;
- operational risks, cyber-security, our reliance on third-party service providers;
- cybersecurity failures and data security breaches;
- the unpredictable impact of artificial intelligence on competitive, operational, legal and compliance with regulatory risks;
- rapidly developing and changing global privacy laws;
- expansion into new investment strategies, geographic markets, businesses and businesses; types of investors;
- ability failure to syndicate securities or indebtedness and realize returns on balance sheet investments; manage existing commitments;
- extensive regulation of our businesses, increased regulatory scrutiny, and legislative and regulatory changes;
- federal, state and foreign anti-corruption and trade sanctions laws; businesses;
- litigation allegations and negative publicity;
- certain types of investment vehicles with increased risk of litigation and regulatory scrutiny;
- failure to protect intellectual property rights;
- misconduct of our employees, consultants or sub-contractors or by our portfolio companies;
- our capital markets activities;
- use of derivative financial instruments in our risk management strategy; and
- use of third-party service providers. ineffective risk management activities.

We are subject to risks related to assets we manage, our investment activities, including risks involving:

- historical returns not being indicative of future results;
- valuation methodologies; methodologies for establishing the fair value of certain assets can be subjective;
- various the impact on valuations by market and economic conditions and events outside our control; conditions;
- changes in debt or equity markets;
- dependence on significant leverage in our investments;
- exposures to, and investments in, leveraged companies or companies experiencing financial or business difficulties;
- ranking of our equity and debt investments compared to other's investments, exposing us to greater risk of loss;
- limitations inherent in the due diligence process;
- complexity of investments, in relatively high-risk, illiquid assets; including large-sized investments and non-controlled investments;
- risks inherent concentration of investments by type of issuer, geographic region, asset types, or otherwise;
- investments in our investments, including risks specific to real assets and growth equity investments; relatively illiquid assets;
- investments in real assets and assets;
- investments in emerging and less established companies;
- complex investments, including large-sized investments and non-controlled investments;
- investments in companies that are based outside of the United States;
- third-party investors' investors' contractual obligation to fund capital calls;
- ranking of our equity and debt investments compared to investments made by others;
- hedging transactions and other risk management activities undertaken by us;
- concentration of investments by our funds or by our balance sheet;
- potential conflicts of interest between our business and our clients;
- redemption by fund investors in certain of our real asset funds;
- termination investment vehicles are entitled to redeem their investments in these vehicles on a periodic basis, and certain of our investment advisory arrangements; agreements may be terminated with minimal notice; and
- our stakes in hedge fund partnerships.

We are subject to risks related to our common stock, insurance activities, including risks involving:

- possibility of not achieving the intended benefit of the Global Atlantic acquisitions;
- interest rate fluctuations, including sustained periods of low or high interest rates;
- acceleration of amortization of deferred revenues and expenses;
- difference between policyholder behavior estimates, reserve assumptions and actual claims experience;
- estimates used in preparation of financial statements and models for insurance products;
- ability to execute Global Atlantic's growth strategies successfully;
- Global Atlantic's actual or perceived financial strength and ratings of Global Atlantic and its subsidiaries;
- business Global Atlantic reinsures and business it cedes to reinsurers;

- changes in accounting standards applicable to insurance companies;
- volatility in our insurance business's net income under GAAP;
- reinsurance assets held in trust, which limit Global Atlantic's ability to invest those assets;
- triggering a recapture event under reinsurance agreements where Global Atlantic's clients may recapture some or all of the assumed business;
- determination of the amount of impairments and allowances for credit losses;
- liquidity risks from Global Atlantic's membership in Federal Home Loan Banks;
- repurchase and reverse repurchase transactions that subject Global Atlantic to liquidity risks;
- changes in relevant tax laws, regulations or treaties;
- regulations, including those related to capital requirements, that apply to Global Atlantic;
- Bermuda insurance subsidiaries possibly being subject to additional licensing requirements; and
- not being able to mitigate the reserve strain associated with statutory accounting rules.

We are subject to risks related to our organizational structure, including risks involving:

- significant voting power held by the Series I preferred stockholder; stockholder, and conflicts of interest among the Series I preferred stockholder and the holders of our common stock;
- As a "controlled company," we qualify for some exemptions available to us as a "controlled company" under from the corporate governance and other requirements of the NYSE corporate governance rules;
- exemptions from proxy rules under and are not required to comply with certain provisions of U.S. securities laws;
- provisions in our charter limiting the obligation and liability of the Series I preferred stockholder;
- exclusive forum provision included in our charter;
- volatility of market price and trading volume of our common stock;
- assets and revenues of our funds investment vehicles not being directly available to us or our common stockholders;
- declining common stock price due to the large number of shares eligible for future sale and issuable as grants or in acquisitions;
- ability to issue preferred stock may cause the price of our common stock to decline; and
- our right to repurchase all outstanding shares of common stock under specific circumstances.

We are subject to risks related to our organizational structure, including risks involving:

- potential conflicts of interest among the Series I preferred stockholder and our common stockholders;
- certain actions by our board of directors requiring the approval of the Series I preferred stockholder; specified circumstances;
- limitations on our ability to pay periodic dividends;
- our obligations to pay under make payments to our principals pursuant to a tax receivable agreement;
- potential application of restrictions under the Investment Company Act of 1940;
- reorganizations undertaken by us; and
- anti-takeover provisions in our organizational documents.

We are subject to risks related to Global Atlantic, including risks involving:

- possibility of not achieving the intended benefit of the acquisition;
- interest rate fluctuations, including sustained periods of low or high interest rates and interest rate increases;
- use of derivative financial instruments in Global Atlantic's risk management strategy;
- dependence on third-party service providers, including distribution partners and agents;
- guarantees within certain of Global Atlantic's products;
- volatility in its net income under GAAP;
- acceleration of amortization of deferred revenues and expenses;
- difference between policyholder behavior estimates, reserve assumptions and actual claim experience;
- estimates used in preparation of financial statements and models for insurance products;
- ability to execute Global Atlantic's growth strategies successfully;
- any gaps in Global Atlantic's risk management policies and procedures;
- Global Atlantic's actual or perceived financial strength and ratings of Global Atlantic and its subsidiaries;
- failure to comply with covenants in credit facilities or agreements;
- lack of captive or proprietary distribution or direct sale;
- businesses Global Atlantic reinsures and business it cedes to reinsurers;
- protection of confidentiality of client information;
- changes in accounting standards;
- ability to cover policyholder benefits, withdrawals, recaptures or collateralization requirements;
- reinsurance assets held in trust, which limits Global Atlantic's ability to invest those assets;
- triggering a recapture event under reinsurance agreements where Global Atlantic's clients may recapture some or all of the assumed business;
- determination of the amount of impairments and allowances for credit losses;
- repurchase and reverse repurchase transactions that subject Global Atlantic to liquidity risks;



- applicability of U.S. federal taxes, changes to U.S. tax laws or Global Atlantic's tax status in Bermuda; and
- insurance and other regulations, including those related to statutory accounting rules, reserves, guaranty association laws and licensing requirements, that apply to Global Atlantic and its insurance subsidiaries.

## PART I

### ITEM 1. BUSINESS

#### Overview

We are a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. We aim to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in our portfolio companies and communities. We sponsor investment funds that invest in private equity, credit and real assets and have strategic partners that manage hedge funds. Our insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic.

Our asset management business offers a broad range of investment management services to fund investors around the world. Throughout our history, we have consistently been a leader in the private equity industry, having completed more than 690 730 private equity investments in portfolio companies with a total transaction value in excess of \$700 billion \$710 billion as of December 31, 2022 December 31, 2023. Since the inception of our firm in 1976, we have expanded our investment strategies and product offerings from traditional private equity to areas such as leveraged credit, alternative credit, infrastructure, energy, real estate, growth equity, core private equity, and impact investments. We also provide capital markets services for our firm, our portfolio companies and third parties. Our balance sheet provides a significant source of capital in the growth and expansion of our business, and it has allowed us to further align our interests with those of our fund investment vehicle investors. Building on these efforts and leveraging our industry expertise and intellectual capital have allowed us to capitalize on a broader range of the opportunities we source.

Our insurance business is operated by Global Atlantic, in which we acquired a majority controlling interest on February 1, 2021 and the remaining equity interests in Global Atlantic that KKR did not already own on January 2, 2024. Global Atlantic is a leading retirement and life insurance company that provides a broad suite of protection, legacy and savings products and reinsurance solutions to clients across individual and institutional markets. Global Atlantic primarily offers individuals fixed-rate annuities, fixed-indexed annuities and targeted life products through a network of banks, broker-dealers and independent marketing organizations. Global Atlantic provides its institutional clients customized reinsurance solutions, including block, flow and pension risk transfer reinsurance, as well as funding agreements. Global Atlantic primarily generates income by earning a spread between its investment income and the cost of policyholder benefits. As of December 31, 2022 December 31, 2023, Global Atlantic served approximately over three million policyholders.

#### Our Firm

We seek to work proactively and collaboratively across business lines, departments, and geographies, as appropriate, to achieve what we believe are the best investment results for our clients and the firm. Through our offices around the world, we have a pre-eminent global integrated platform for sourcing transactions, raising capital and carrying out capital markets activities. We have multilingual and multicultural investment teams with local market knowledge and significant business, investment and operational experience in the countries in which we invest. We believe that our global capabilities and one-firm philosophy have helped us to raise capital, capture a greater number of investment opportunities, and assist our portfolio companies in their increasing reliance on global markets and sourcing, while enabling us to diversify our operations.

Though our operations span multiple continents and asset classes, our investment professionals are supported by an integrated infrastructure and operate under a common set of principles and business practices that are monitored by a variety of committees. Our investment teams operate with a single culture that rewards investment discipline, creativity, determination and patience and emphasizes the sharing of information, resources, expertise and best practices across offices and asset classes. When appropriate, we staff investment transactions across multiple offices and businesses in order to take advantage of the industry-specific expertise of our investment professionals, and we hold regular meetings in which investment professionals throughout our offices share their knowledge and experiences. We believe that the ability to draw on the local cultural fluency of our investment professionals while maintaining a centralized and integrated global infrastructure distinguishes us from other investment firms and has been a substantial contributing factor to our ability to raise funds, invest internationally and expand our businesses.

#### Our Business

We operate Through December 31, 2023, we operated in two segments: our asset management business and our insurance business.

#### Asset Management

In our asset management business, we have five business lines: (1) Private Equity, (2) Real Assets, (3) Credit and Liquid Strategies, (4) Capital Markets, and (5) Principal Activities. Previously, we had four business lines where Private Equity and Real Assets were reported as one Private Markets business line. In addition, prior to the second quarter of 2022, our Credit and Liquid Strategies business line was named Public Markets. Information about our business lines below should be read together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements included elsewhere in this report.

As an asset management firm, we earn fees, including management fees and incentive fees, and carried interest for providing investment management and other services to our funds, investment vehicles (including our funds), CLOs, managed accounts, portfolio companies and portfolio certain operating companies, and we generate transaction fees from capital markets transactions. We earn additional investment income by investing our own capital alongside that of investors in our fund investors investment vehicles and from other assets on our balance sheet. Carried interest we receive from our funds and certain other investment vehicles entitles us to a specified percentage of investment gains that are generated on third-party capital that is invested. Our investment teams have deep industry knowledge and are supported by a substantial and diversified capital base; an integrated

global investment platform; the expertise of operating professionals, senior advisors and other advisors; and a worldwide network of business relationships that provide a significant source of investment opportunities, specialized knowledge during due diligence and substantial resources for creating and realizing value for stakeholders. These teams invest capital, a substantial portion of which is of a long duration or not subject to predetermined redemption requirements, which provides us with significant flexibility to grow investments and select exit opportunities. As of **December 31, 2022** **December 31, 2023**, approximately **91%** **92%** of our AUM consists of capital that is either not subject to redemption for at least 8 years from inception or what we refer to as perpetual capital. For more information about the limitations of perpetual capital, please see "**Risks**"—**Risks Related to Our Business**—AUM, referred to as perpetual capital, is subject to material reduction, including through withdrawal, redemption or dividends, and termination" in the "Risk Factors" section of this report. We believe that these aspects of our business help us continue to grow our asset management business and deliver strong investment performance in a variety of economic and financial conditions.

Since our inception, one of our fundamental investment philosophies has been to align the interests of the firm and our employees with the interests of our fund investors, portfolio companies and other stakeholders. We achieve this by putting our own capital behind our ideas. As of **December 31, 2022** **December 31, 2023**, we and our employees and other personnel have approximately **\$28.1** **\$25.0** billion invested in or committed to our own funds and portfolio companies, including **\$13.0 billion** **\$12.1 billion** of capital funded from our balance sheet, **\$10.4 billion** **\$7.7 billion** of additional capital committed by our balance sheet to our investment **funds**, **\$3.2** **vehicles**, **\$3.6** billion funded from personal investments, and **\$1.5** **\$1.7** billion of additional capital commitments from personal investments.

## Private Equity

### Overview

Through our Private Equity business line, we manage and sponsor a group of private equity funds that invest capital for long-term appreciation, either through controlling ownership of a company or strategic **non-controlling** minority positions. In addition to our traditional private equity funds that invest in large and mid-sized companies, we sponsor **investment** funds that invest in core **private** equity, growth equity, and impact investments. Our Private Equity business line includes separately managed accounts that invest in multiple strategies, which may include our credit and real assets strategies, as well as our private equity strategies. These funds and accounts are managed by Kohlberg Kravis Roberts & Co. L.P., an SEC-registered investment adviser. As of **December 31, 2022** **December 31, 2023**, our Private Equity business line had **\$165.1** **\$176.4** billion of AUM, consisting of **\$115.3** **\$123.7** billion in traditional private equity, including **\$33.7** **\$34.9** billion in core **private** equity and **\$16.1** **\$17.8** billion in growth equity, which includes **\$3.9** **\$4.4** billion of impact investments.

We are a world leader in private equity, having raised over 30 private equity funds (including core **private equity**, growth equity and impact investments). We invest in industry-leading franchises and attract world-class management teams. Our investment approach leverages our capital base, sourcing advantage, global network and industry knowledge. It also leverages a sizable team of operating professionals, as well as senior advisors and other advisors, many of whom are former chief executive officers and leaders of the business community.

Our Private Equity business line consists of the following strategies:

**Traditional Private Equity.** Our traditional private equity investment strategy typically seeks to engage in management buyouts, build-ups, or other investments with a view to acquire control or have significant influence. We believe that the combination of our industry knowledge, investment experience and operational expertise provides KKR with the ability to identify and create value in investment opportunities. Through our portfolio company board oversight, we work closely and cooperatively with the management of our portfolio companies, which are assisted by having access to the resources of our global platform.

**Core Private Equity.** Our core private equity strategy targets investments with a longer holding period and a lower anticipated risk profile than our traditional private equity investments. Our core private equity investments are made in companies that, among other things, we believe are more stable, and typically have lower average leverage over our holding period, than those in our traditional private equity funds. **References to our core investment strategy includes core private equity as well as infrastructure and real estate investments. See "—Real Assets" below.**

**Growth Equity.** Since 2016, we have offered growth equity funds that pursue growth equity investment opportunities in the technology, media and telecommunications (TMT) sector. Through this strategy, we focus on emerging, high-growth companies and invest across a variety of sub-sectors including software, security, semiconductors, consumer electronics, internet of things (IoT), information services, business services, internet, digital media, content and communications. Also since 2016, we have offered growth equity funds to pursue growth equity investment opportunities in the health care sector, primarily in the United States and Europe. Our health care growth strategy targets opportunities across various health care sub-sectors, including biopharmaceuticals, medical devices, diagnostics, life science tools, health care providers, healthcare information technology and other services.

**Global Impact.** Since 2019, we have offered global impact funds, which are focused on identifying and investing behind opportunities across the Americas, Europe and Asia where financial performance and societal impact are intrinsically aligned. Our global impact funds aim to generate private equity-like risk-adjusted returns by investing in small to medium-sized companies that contribute toward one or more of the United Nations Sustainable Development Goals. From time to time, we refer to our growth equity strategy to include the investments from our impact strategy.

## Private Equity Assets Under Management and Select Fund Performance Information

The following chart presents the growth in the AUM of our Private Equity business line from **December 31, 2018** **December 31, 2019** through **December 31, 2022** **December 31, 2023**.

### Private Equity Assets Under Management (\$ in billions)

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The table below presents information as of **December 31, 2022** **December 31, 2023**, relating to our current private equity and other **investment** vehicles reported in our Private Equity business line for which we have the ability to earn carried interest. This data does not reflect acquisitions or disposals of investments, changes in investment values, or distributions occurring after **December 31, 2022** **December 31, 2023**.

|                           |                           | Investment Period   |                     | Amount (\$ in millions)   |             |           |           |          |                     |            |          | Investment Period   |                     | Amount (\$ in millions)   |             |           |           |          |                     |            |          |
|---------------------------|---------------------------|---------------------|---------------------|---------------------------|-------------|-----------|-----------|----------|---------------------|------------|----------|---------------------|---------------------|---------------------------|-------------|-----------|-----------|----------|---------------------|------------|----------|
|                           |                           |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
|                           |                           |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
|                           |                           | Start               | End                 | Uncalled                  | by General  | Remaining | Remaining | Carried  |                     |            |          | Start               | End                 | Uncalled                  | by General  | Remaining | Remaining | Gross    | Accrued             | Carried    |          |
|                           |                           | Date <sup>(1)</sup> | Date <sup>(2)</sup> | Commitment <sup>(3)</sup> | Commitments | Partner   | Invested  | Realized | Cost <sup>(4)</sup> | Fair Value | Interest | Date <sup>(1)</sup> | Date <sup>(2)</sup> | Commitment <sup>(3)</sup> | Commitments | Partner   | Invested  | Realized | Cost <sup>(4)</sup> | Fair Value | Interest |
| Private Equity            | Private Equity            |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Business Line             | Business Line             |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| North                     | North                     |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| America                   | America                   | 8/2021              | 8/2027              |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund XIII                 | Fund XIII                 |                     |                     | \$                        | 18,400      | \$        | 13,231    | 3%       | \$                  | 5,169      | \$       | —                   | \$                  | 5,169                     | \$          | 5,349     | \$        | —        |                     |            |          |
| North America Fund XIII   |                           |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| North America Fund XIII   |                           |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Americas                  | Americas                  |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund XII                  | Fund XII                  | 5/2017              | 5/2021              | 13,500                    | 1,579       | 4%        | 12,419    | 5,591    | 11,150              | 17,439     | 1,245    |                     |                     |                           |             |           |           |          |                     |            |          |
| North                     | North                     |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| America                   | America                   |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund XI                   | Fund XI                   | 11/2012             | 1/2017              | 8,718                     | 156         | 3%        | 10,024    | 22,643   | 2,798               | 3,722      | 247      |                     |                     |                           |             |           |           |          |                     |            |          |
| 2006 Fund <sup>(5)</sup>  | 2006 Fund <sup>(5)</sup>  | 9/2006              | 9/2012              | 17,642                    | 247         | 2%        | 17,309    | 37,336   | 24                  | 93         | 11       |                     |                     |                           |             |           |           |          |                     |            |          |
| Millennium                | Millennium                |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund <sup>(5)</sup>       | Fund <sup>(5)</sup>       | 12/2002             | 12/2008             | 6,000                     | —           | 3%        | 6,000     | 14,123   | —                   | 6          | 1        |                     |                     |                           |             |           |           |          |                     |            |          |
| Ascendant                 |                           |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund                      |                           |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| European                  | European                  |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund VI                   | Fund VI                   | 6/2022              | 6/2028              | 7,449                     | 7,449       | 10%       | —         | —        | —                   | —          | —        |                     |                     |                           |             |           |           |          |                     |            |          |
| European                  | European                  |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund V                    | Fund V                    | 7/2019              | 2/2022              | 6,322                     | 1,020       | 2%        | 5,372     | 917      | 5,213               | 5,951      | 236      |                     |                     |                           |             |           |           |          |                     |            |          |
| European                  | European                  |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund IV                   | Fund IV                   | 2/2015              | 3/2019              | 3,511                     | 5           | 6%        | 3,637     | 5,122    | 1,848               | 2,742      | 178      |                     |                     |                           |             |           |           |          |                     |            |          |
| European                  | European                  |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund III <sup>(5)</sup>   | Fund III <sup>(5)</sup>   | 3/2008              | 3/2014              | 5,503                     | 143         | 5%        | 5,360     | 10,604   | 669                 | 97         | (30)     |                     |                     |                           |             |           |           |          |                     |            |          |
| European                  | European                  |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund II <sup>(5)</sup>    | Fund II <sup>(5)</sup>    | 11/2005             | 10/2008             | 5,751                     | —           | 2%        | 5,751     | 8,507    | —                   | 34         | —        |                     |                     |                           |             |           |           |          |                     |            |          |
| Asian Fund                | Asian Fund                |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| IV                        | IV                        | 7/2020              | 7/2026              | 14,735                    | 9,768       | 4%        | 5,008     | 41       | 4,940               | 5,561      | —        |                     |                     |                           |             |           |           |          |                     |            |          |
| Asian Fund III            | Asian Fund III            | 8/2017              | 7/2020              | 9,000                     | 1,521       | 6%        | 7,909     | 5,031    | 6,643               | 10,826     | 779      |                     |                     |                           |             |           |           |          |                     |            |          |
| Asian Fund II             | Asian Fund II             | 10/2013             | 3/2017              | 5,825                     | —           | 1%        | 7,185     | 6,337    | 3,033               | 2,164      | (346)    |                     |                     |                           |             |           |           |          |                     |            |          |
| Asian Fund <sup>(5)</sup> | Asian Fund <sup>(5)</sup> | 7/2007              | 4/2013              | 3,983                     | —           | 3%        | 3,974     | 8,728    | 110                 | 10         | 1        |                     |                     |                           |             |           |           |          |                     |            |          |
| China Growth              | China Growth              |                     |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |           |           |          |                     |            |          |
| Fund <sup>(5)</sup>       | Fund <sup>(5)</sup>       | 11/2010             | 11/2016             | 1,010                     | —           | 1%        | 1,010     | 1,065    | 322                 | 169        | (17)     |                     |                     |                           |             |           |           |          |                     |            |          |

|                      |                 |         |         |            |           |         |           |           |           |           |
|----------------------|-----------------|---------|---------|------------|-----------|---------|-----------|-----------|-----------|-----------|
| Next                 | Next            |         |         |            |           |         |           |           |           |           |
| Generation           | Generation      |         |         |            |           |         |           |           |           |           |
| Technology           | Technology      |         |         |            |           |         |           |           |           |           |
| Growth Fund          | Growth Fund     |         |         |            |           |         |           |           |           |           |
| III                  | III             | 11/2022 | 11/2028 | 2,358      | 2,358     | 8%      | —         | —         | —         | —         |
| Next                 | Next            |         |         |            |           |         |           |           |           |           |
| Generation           | Generation      |         |         |            |           |         |           |           |           |           |
| Technology           | Technology      |         |         |            |           |         |           |           |           |           |
| Growth Fund          | Growth Fund     |         |         |            |           |         |           |           |           |           |
| II                   | II              | 12/2019 | 5/2022  | 2,088      | 277       | 7%      | 2,008     | 306       | 1,860     | 2,499     |
| Next                 | Next            |         |         |            |           |         |           |           |           |           |
| Generation           | Generation      |         |         |            |           |         |           |           |           |           |
| Technology           | Technology      |         |         |            |           |         |           |           |           |           |
| Growth Fund          | Growth Fund     | 3/2016  | 12/2019 | 659        | 4         | 22%     | 666       | 870       | 362       | 1,055     |
| Health Care          | Health Care     |         |         |            |           |         |           |           |           |           |
| Strategic            | Strategic       |         |         |            |           |         |           |           |           |           |
| Growth Fund          | Growth Fund     |         |         |            |           |         |           |           |           |           |
| II                   | II              | 5/2021  | 5/2027  | 3,789      | 3,414     | 4%      | 375       | —         | 375       | 392       |
| Health Care          | Health Care     |         |         |            |           |         |           |           |           |           |
| Strategic            | Strategic       |         |         |            |           |         |           |           |           |           |
| Growth Fund          | Growth Fund     | 12/2016 | 4/2021  | 1,331      | 292       | 11%     | 1,169     | 196       | 1,058     | 1,550     |
| Global Impact        | Global Impact   |         |         |            |           |         |           |           |           |           |
| Fund II              | Fund II         | 6/2022  | 6/2028  | 1,981      | 1,981     | 7%      | —         | —         | —         | —         |
| Global Impact        | Global Impact   |         |         |            |           |         |           |           |           |           |
| Fund                 | Fund            | 2/2019  | 3/2022  | 1,242      | 250       | 8%      | 1,142     | 215       | 1,032     | 1,610     |
| Co-Investment        | Co-Investment   |         |         |            |           |         |           |           |           |           |
| Vehicles and         | Vehicles and    |         |         |            |           |         |           |           |           |           |
| Other                | Other           | Various |         | 17,595     | 5,619     | Various | 12,347    | 7,880     | 8,703     | 10,804    |
| Core Investment      | Core Investment |         |         |            |           |         |           |           |           |           |
| Vehicles             | Vehicles        | Various |         | 24,753     | 12,298    | 30%     | 13,293    | 872       | 12,934    | 21,359    |
| Unallocated          | Unallocated     |         |         |            |           |         |           |           |           |           |
| Commitments          | Commitments     |         |         |            |           |         |           |           |           |           |
| (6)                  | (6)             | N/A     |         | 4,136      | 4,136     | Various | —         | —         | —         | —         |
| Total                | Total           |         |         |            |           |         |           |           |           |           |
| Private              | Private         |         |         |            |           |         |           |           |           |           |
| Equity               | Equity          |         |         | \$ 187,281 | \$ 65,748 |         | \$127,127 | \$136,384 | \$ 68,243 | \$ 93,432 |
| Total Private Equity |                 |         |         |            |           |         |           |           |           |           |
| Total Private Equity |                 |         |         |            |           |         |           |           |           |           |

- (1) The start date represents the start of the fund's investment period as defined in the fund's governing documents and may or may not be the same as the date upon which management fees begin to accrue. For further information on management fee calculations, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.
- (2) The end date represents the end of the fund's investment period as defined in the fund's governing documents and is generally not the date upon which management fees cease to be paid. For further information on management fee calculations, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.
- (3) The commitment represents the aggregate capital commitments to the fund, including capital commitments by third-party fund investors and the general partner. Foreign currency commitments have been converted into U.S. dollars based on (i) the foreign exchange rate at the date of purchase for each investment and (ii) the exchange rate that prevailed on December 31, 2022, in the case of commitments. December 31, 2023.
- (4) The remaining cost represents the initial investment of the general partner and limited partners, reduced for returns of capital.
- (5) The "Invested" and "Realized" columns do not include the amounts of any realized investments that restored the unused capital commitments of the fund investors, if any.
- (6) "Unallocated Commitments" represent commitments received from our strategic investor partnerships that have yet to be allocated to a particular investment strategy.

#### Traditional Private Equity Portfolio

As of December 31, 2022 December 31, 2023, our traditional private equity portfolio consisted of over 125 130 companies with approximately \$290 billion \$285 billion of annual revenues. These companies are headquartered in over 20 countries and operate in approximately 20 general industries, which take advantage of our broad and deep industry and operating expertise. Many of these companies are leading franchises with global operations, strong management teams and attractive growth prospects, which we believe will provide benefits through a broad range of business conditions.

## Private Equity Investment Process and Fund Characteristics

### *Investment Approach*

Our approach to making private equity investments focuses on achieving multiples of invested capital and attractive risk-adjusted IRRs by selecting high-quality investments that may be made at attractive prices, applying rigorous standards of due diligence when making investment decisions, implementing strategic and operational changes that drive growth and value creation in acquired businesses, carefully monitoring investments, and making informed decisions when developing investment exit strategies.

We believe that we have achieved a leading position in the private equity industry by applying a disciplined investment approach and by building strong partnerships with highly motivated management teams who put their own capital at risk. When making private equity investments, we seek out strong business franchises, attractive growth prospects, leading market positions and the ability to generate attractive returns. In our private equity funds, we do not effect transactions that are "hostile," meaning a target company's board of directors makes an unfavorable recommendation with respect to the transaction or publicly opposes the consummation of the transaction.

### *Sourcing and Selecting Investments*

We have access to significant opportunities for making private equity investments as a result of our sizable capital base, global platform, and relationships with leading executives from major companies, commercial and investment banks, and other investment and advisory institutions. Members of our global network contact us with new investment opportunities, including a substantial number of exclusive investment opportunities and opportunities that are made available to only a limited number of other firms. We also proactively pursue business development strategies that are designed to generate deals internally based on the depth of our industry knowledge and our reputation as a leading financial sponsor.

### *Due Diligence and the Investment Decision*

When an investment team determines that an investment proposal is worth consideration, the proposal is formally presented to the applicable investment committee and the due diligence process commences, if appropriate. The objective of the due diligence process is to identify attractive investment opportunities based on the facts and circumstances surrounding an investment and to prepare a framework that may be used from the date of an acquisition to drive operational improvement and value creation. When conducting due diligence, investment teams evaluate a number of important business, financial, tax, accounting, environmental, social, governance, legal and regulatory issues in order to determine whether an investment is suitable. While the due diligence process differs depending on the type of investment we make, generally, in connection with the private equity due diligence process, investment professionals spend significant amounts of time meeting with a company's management and operating personnel, visiting plants and facilities, and where appropriate, speaking with other stakeholders interested in and impacted by the investment in order to understand the opportunities and risks associated with the proposed investment. Our investment professionals may also use the services of outside accountants, consultants, lawyers, investment banks and industry experts as appropriate to assist them in this process. Investment committees or portfolio managers, as applicable, monitor our due diligence practices and approve an investment before it is made.

### *Building Successful and Competitive Businesses*

Portfolio management committees are responsible for working with our investment professionals from the date on which a private equity investment is made until the time it is exited in order to ensure that strategic and operational objectives are accomplished and that the performance of the investment is closely monitored. When investing in a private equity portfolio company, we partner with management teams to execute on our investment thesis, and we rigorously track performance through regular monitoring of detailed operational and financial metrics as well as appropriate environmental, social and governance issues. We have developed a global network of experienced managers and operating professionals who assist the private equity portfolio companies in making operational improvements and achieving growth. We augment these resources with operational guidance from operating professionals at KKR Capstone, senior advisors, other advisors and investment teams, and with "100-Day Plans" that focus the firm's efforts and drive our strategies. We seek to emphasize efficient capital management, top-line growth, R&D spending, geographical expansion, cost optimization and investment for the long-term.

### *Realizing Investments*

We have developed substantial expertise for realizing private equity investments. From our inception through **December 31, 2022** **December 31, 2023**, the firm has generated approximately **\$187.7** **\$195.9** billion of cash proceeds from the sale of our Private Equity portfolio companies in initial public offerings and secondary offerings, dividends, and sales to strategic and financial buyers. When exiting private equity investments, our objective is to structure the exit in a manner that optimizes returns for fund investors and, in the case of publicly traded companies, minimizes the impact that the exit has on the trading price of the company's securities. We believe that our ability to successfully realize investments is attributable in part to the strength and discipline of our portfolio management committees and capital markets business, as well as the firm's longstanding relationships with corporate buyers and members of the investment banking and investing communities.

### *Private Equity Fund Structures*

The private equity funds that we sponsor and manage typically have finite lives and investment periods. Each fund is typically organized as one or more partnerships, and each partnership is controlled by a general partner. Private equity fund investors are limited partners who agree to contribute a specified amount of capital to the fund from time to time for use in qualifying investments during the investment period, which generally lasts up to six years depending on how quickly capital is deployed. The investment period for certain funds may be terminated upon supermajority vote (based on capital commitment) of the fund's limited partners or by the fund's advisory committee. The term of our private equity funds generally last for 10 to 12 years and may last up to 15 years from the date of the fund's first or last investment, subject to a limited number of extensions with the consent of the limited partners or the applicable advisory committee. Given the length of the investment periods and terms of our private equity funds and the limited conditions under which such periods can be terminated and commitments may be withdrawn, the AUM of our private equity funds provide a long-term stable capital base.

Each private equity **fund's fund's** general partner is generally entitled to a carried interest that allocates to it 20% of the net profits realized by the limited partners from the **fund's fund's** investments. Our private equity funds since 2012 generally have a performance hurdle which requires that we return 7%, compounded annually, to limited partners in the fund prior to receiving our 20% share of net profits realized by limited partners. Such performance hurdles are subject to a catch-up allocation to the general partner after the

hurdle has been reached. Our earlier private equity funds do not include a performance hurdle. The timing of receipt of carried interest in respect of investments of our private equity funds is dictated by the terms of the partnership agreements that govern such funds, and is distributed to the general partner of a private equity fund only after all of the following are met: (i) a realization event has occurred (e.g., sale of a portfolio company, dividend, etc.); (ii) the vehicle has achieved positive overall investment returns since its inception, in excess of performance hurdles where applicable, and is accruing carried interest; and (iii) with respect to investments with a fair value below cost, cost has been returned to fund investors in an amount sufficient to reduce remaining cost to the investments' fair value. For a fund that has a fair value above cost, overall, and is otherwise accruing carried interest, but has one or more investments where fair value is below cost, the shortfall between cost and fair value for such investments is referred to as a "netting hole." See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity—Sources of Liquidity" for a discussion of netting holes. Net realized profit or loss is not netted between or among funds. In addition, the agreements governing our private equity funds generally include a "clawback" provision that, if triggered, may give rise to a contingent obligation that may require the general partner to return or contribute amounts to the fund for distribution to fund investors at the end of the life of the fund. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Critical Accounting Policies and Estimates - Asset Management—Revenues—Capital Allocation-Based Income (Loss)" and "Risk Factors—Risks Related to Our Business—The 'clawback' provisions in the agreements governing our governing agreements carry-paying funds" may give rise to a contingent obligation that may require us to return or contribute amounts to our funds and fund investors."

We enter into management agreements with our private equity funds pursuant to which we receive management fees in exchange for providing the funds with management and other services. Gross management fees for our private equity funds generally range from 1% to 2% of committed capital during the fund's investment period and are generally 0.75% to 1.25% of invested capital after the expiration of the fund's investment period with subsequent reductions over time, which causes the fees to be reduced as investments are liquidated. In addition, in connection with the expiration of the investment period, a private equity fund may establish a reserve on its fund investors' capital commitments on which no fee is paid unless such capital is invested. Management fees are paid by private equity fund investors, who generally contribute capital to the fund in order to allow the fund to pay the fees to us. Our private equity funds generally require that the amount of management fees be subtracted from gains allocable to fund investors before a carried interest may be paid.

We also enter into monitoring agreements with our portfolio companies pursuant to which we receive periodic monitoring fees in exchange for providing them with management, consulting and other services, and we typically receive transaction fees for providing portfolio companies with financial, advisory and other services in connection with specific transactions. Monitoring agreements may provide for a termination payment following an initial public offering or change of control, if certain criteria are satisfied. In some cases, we may be entitled to other fees that are paid by an investment target upon closing of a transaction or when a potential investment is not consummated. Since 2014, our private equity fund agreements typically require us to share 100% of any monitoring, transaction and other fees that are allocable to a fund (after reduction for expenses incurred allocable to a fund from unconsummated transactions) with fund investors.

In addition, the agreements governing our private equity funds enable investors in those funds to reduce their capital commitments available for further investments, on an investor-by-investor basis, in the event one or more "key persons" (for example, investment professionals who are named as "key executives" for certain geographically or product focused funds) cease to be actively involved in the management of the fund. While these provisions do not allow investors in our funds to withdraw capital that has been invested or cause a fund to terminate, the occurrence of a "key person" event could cause disruption in our business, reduce the amount of capital that we have available for future investments, and make it more challenging to raise additional capital in the future.

Because private equity fund investors typically are unwilling to invest their capital in a fund unless the fund's manager also invests its own capital in the fund's investments, our private equity fund documents generally require the general partners of the funds to make minimum capital commitments to the funds. The amounts of these commitments, which are negotiated by fund investors, generally range from 2% to 8% of a fund's total capital commitments at final closing, but may be greater for certain funds (i) where we are pursuing newer strategies, (ii) where third party investor demand is limited, and (iii) where a larger commitment is consistent with our firm's asset allocation strategy. When investments are made, the general partner contributes capital to the fund based on its fund commitment percentage and acquires a capital interest in the investment that is not subject to a carried interest or management fees.

## Real Assets

### Overview

Through our Real Assets business line, we manage and sponsor a group of real assets funds and accounts that invest capital in infrastructure, real estate, or energy. These funds and accounts are managed by Kohlberg Kravis Roberts & Co. L.P. or one of its subsidiaries. As of **December 31, 2022** **December 31, 2023**, our Real Assets business line had **\$118.6 billion** **\$130.9 billion** of AUM, consisting of **\$64.4 billion** **\$68.5 billion** in real estate (of which **\$35.6 billion** **\$36.3 billion** is real estate credit and **\$28.8 billion** **\$32.2 billion** is real estate equity), **\$50.5 billion** **\$58.7 billion** in infrastructure, and \$3.7 billion in energy.

### Infrastructure

We established a dedicated infrastructure team and strategy in 2008, focused on global investment opportunities with an emphasis on investments in assets and businesses located in the member countries of the Organisation for Economic Co-operation and Development. In January 2020, we expanded our strategy to include investment opportunities in the Asia-Pacific region. Our infrastructure platform seeks to achieve returns including current income through the acquisition and operational improvement of assets important to the functioning of the economy. We believe that the global infrastructure market provides an opportunity for the firm's private investment, operational improvement capabilities and stakeholder engagement. Through this platform we have made investments in sectors such as power and utilities, midstream, energy and energy transition, transportation, asset leasing, water and wastewater, telecommunications infrastructure, and social infrastructure. In 2020, we established the Diversified Core Infrastructure Fund as our first dedicated open-ended core infrastructure fund. Our diversified core infrastructure strategy seeks core infrastructure and infrastructure-related investment opportunities with a focus on investments with predominantly contracted or regulated cash flows in securities, properties and other assets principally located in North America and Western Europe.

## Real Estate

Our real estate platform seeks to be a global solutions provider across the capital structure in the real estate industry, focusing on opportunities in the United States, Western Europe and Asia-Pacific, including property-level equity, debt and special situations transactions and businesses with significant real estate holdings that can benefit from KKR's operational expertise. We seek to partner with real estate owners, lenders, operators, and developers to provide flexible capital to respond to transaction-specific needs, including the purchase or financing of existing assets or companies and the funding of future development or acquisition opportunities.

We have made real estate equity investments in residential and commercial assets. In addition, we have a core plus real estate strategy that seeks to pursue real estate investments through open-ended funds, primarily with the intent of having influence over the real estate assets or companies in which we make investments. Our real estate credit platform provides capital solutions for real estate transactions with a focus on commercial mortgage-backed securities, whole loans and subordinated debt. These real estate credit strategies are deployed in a variety of ways, including through KKR Real Estate Finance Trust Inc. (NYSE: KREF), a publicly listed U.S. real estate investment trust ("KREF"), and our real estate credit funds which focus on commercial real estate lending and the risk retention tranches of commercial mortgage-backed securities ("CMBS"). We also source real estate investments for our Global Atlantic insurance companies and KKR Real Estate Select Trust Inc., a continuously offered, registered closed-end investment company and U.S. real estate investment trust ("KREST"). In addition, in April 2022, we acquired KJRM, one of the largest Japanese real estate asset managers in 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.

## Energy

Our primary platform for pursuing upstream oil and natural gas opportunities is through Crescent Energy Company ("Crescent"), a publicly listed energy platform seeks attractive risk-adjusted company (NYSE: CRGY), which we manage. Crescent is a U.S. independent energy company primarily engaged in the acquisition, development and operation of oil and natural gas properties. We also manage investment returns and predictable cash flows vehicles that have energy investments in key proven basins across cycles the lower 48 U.S. states, with a focus on operated oil and gas assets and complemented by non-operated assets, mineral and royalty interests and midstream infrastructure. Our energy platform targets real asset investment opportunities in key proven basins across the lower 48 U.S. states. Our first dedicated energy fund was launched in 2010. Crescent Energy Company (NYSE: CRGY), a publicly listed energy company ("Crescent Energy"), was formed in December 2021 to become KKR's primary platform for pursuing upstream oil and natural gas opportunities.

## Real Assets Under Management and Select Fund Performance Information

The following chart presents the growth in the AUM of our Real Assets business line from December 31, 2018 December 31, 2019 through December 31, 2022 December 31, 2023.

Real Assets  
Assets Under Management <sup>(1)</sup>  
(\$ in billions)  
4987

(1) AUM of acquired businesses are included in the years on and after the completion of the respective acquisitions or transactions, as applicable.

The table below presents information as of December 31, 2022 December 31, 2023, relating to our current real asset funds and other vehicles reported in our Real Assets business line for which we have the ability to earn carried interest. This data does not reflect acquisitions or disposals of investments, changes in investment values, or distributions occurring after December 31, 2022 December 31, 2023.

|                          |                     | Investment Period         |             |           |           |          |                     |            |          |                     |                     | Investment Period         |             | Amount (\$ in millions) |          |          |                     |            |          |  |  |  |  |
|--------------------------|---------------------|---------------------------|-------------|-----------|-----------|----------|---------------------|------------|----------|---------------------|---------------------|---------------------------|-------------|-------------------------|----------|----------|---------------------|------------|----------|--|--|--|--|
|                          |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
|                          |                     | Percentage                |             |           |           |          |                     |            |          |                     |                     |                           |             | Percentage              |          |          |                     |            |          |  |  |  |  |
|                          |                     | Committed                 |             |           |           |          |                     |            |          |                     |                     |                           |             | Committed               |          |          |                     |            |          |  |  |  |  |
|                          |                     | Accrued                   |             |           |           |          |                     |            |          |                     |                     |                           |             | Accrued                 |          |          |                     |            |          |  |  |  |  |
| Start                    | End                 | Uncalled                  | by General  | Remaining | Remaining | Carried  | Start               | End        | Uncalled | by General          | Remaining           | Remaining                 | Gross       | Accrued                 | Carried  |          |                     |            |          |  |  |  |  |
| Date <sup>(1)</sup>      | Date <sup>(2)</sup> | Commitment <sup>(3)</sup> | Commitments | Partner   | Invested  | Realized | Cost <sup>(4)</sup> | Fair Value | Interest | Date <sup>(1)</sup> | Date <sup>(2)</sup> | Commitment <sup>(3)</sup> | Commitments | Partner                 | Invested | Realized | Cost <sup>(4)</sup> | Fair Value | Interest |  |  |  |  |
| Real Assets              | Real Assets         |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| Business Line            | Business Line       |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| Energy Income and Growth |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| Fund II                  |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| Energy Income and Growth |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| Fund II                  |                     |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| Energy                   | Energy              |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| Income and               | Income and          |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| Growth Fund              | Growth Fund         |                           |             |           |           |          |                     |            |          |                     |                     |                           |             |                         |          |          |                     |            |          |  |  |  |  |
| II                       | II                  | 8/2018                    | 8/2022      | \$        | 994       | \$       | —                   | 20%        | \$ 1,187 | \$ 193              | \$ 1,024            | \$ 1,769                  | \$          | 48                      |          |          |                     |            |          |  |  |  |  |

|                                            |                                            |         |         |        |       |         |       |       |       |       |     |
|--------------------------------------------|--------------------------------------------|---------|---------|--------|-------|---------|-------|-------|-------|-------|-----|
| Energy                                     | Energy                                     |         |         |        |       |         |       |       |       |       |     |
| Income and Growth Fund                     | Income and Growth Fund                     | 9/2013  | 6/2018  | 1,974  | —     | 13%     | 1,974 | 1,050 | 1,009 | 612   | —   |
| Natural Resources Fund <sup>(5)</sup>      | Natural Resources Fund <sup>(5)</sup>      | Various |         | 887    | —     | Various | 887   | 132   | 171   | 40    | —   |
| Global Energy Opportunities                | Global Energy Opportunities                | Various |         | 915    | 62    | Various | 520   | 189   | 320   | 209   | —   |
| Global Infrastructure Investors IV         | Global Infrastructure Investors IV         | 8/2021  | 8/2027  | 16,545 | 9,671 | 2%      | 6,964 | 88    | 6,899 | 6,946 | 1   |
| Global Infrastructure Investors III        | Global Infrastructure Investors III        | 7/2018  | 6/2021  | 7,159  | 1,280 | 4%      | 6,144 | 1,582 | 5,353 | 5,921 | 150 |
| Global Infrastructure Investors II         | Global Infrastructure Investors II         | 12/2014 | 6/2018  | 3,039  | 127   | 4%      | 3,163 | 4,515 | 1,206 | 1,627 | 43  |
| Global Infrastructure Investors            | Global Infrastructure Investors            | 9/2010  | 10/2014 | 1,040  | —     | 5%      | 1,050 | 2,228 | —     | —     | —   |
| Asia Pacific Infrastructure Investors II   | Asia Pacific Infrastructure Investors II   | 9/2022  | 9/2028  | 5,645  | 5,645 | 6%      | —     | —     | —     | —     | —   |
| Asia Pacific Infrastructure Investors      | Asia Pacific Infrastructure Investors      | 1/2020  | 9/2022  | 3,792  | 1,702 | 7%      | 2,374 | 424   | 2,123 | 2,254 | 32  |
| Diversified Core Infrastructure Fund       | Diversified Core Infrastructure Fund       | 12/2020 | (6)     | 8,374  | 2,919 | 6%      | 5,481 | 214   | 5,470 | 5,673 | —   |
| Real Estate Partners Americas III          | Real Estate Partners Americas III          | 1/2021  | 1/2025  | 4,253  | 1,808 | 5%      | 2,500 | 167   | 2,425 | 2,428 | —   |
| Real Estate Partners Americas II           | Real Estate Partners Americas II           | 5/2017  | 12/2020 | 1,921  | 255   | 8%      | 1,901 | 2,489 | 585   | 645   | 51  |
| Real Estate Partners Americas              | Real Estate Partners Americas              | 5/2013  | 5/2017  | 1,229  | 136   | 16%     | 1,023 | 1,408 | 95    | 53    | (1) |
| Real Estate Partners Europe II             | Real Estate Partners Europe II             | 3/2020  | 3/2024  | 2,052  | 791   | 10%     | 1,404 | 365   | 1,237 | 1,173 | 4   |
| Real Estate Partners Europe                | Real Estate Partners Europe                | 8/2015  | 12/2019 | 705    | 114   | 9%      | 671   | 685   | 236   | 276   | 8   |
| Asia Real Estate Partners                  | Asia Real Estate Partners                  | 7/2019  | 7/2023  | 1,682  | 1,100 | 15%     | 585   | 10    | 561   | 726   | 7   |
| Real Estate Credit Opportunity Partners II | Real Estate Credit Opportunity Partners II | 8/2019  | 6/2023  | 950    | 317   | 5%      | 656   | 126   | 656   | 654   | 13  |
| Real Estate Credit Opportunity Partners    | Real Estate Credit Opportunity Partners    | 2/2017  | 4/2019  | 1,130  | 122   | 4%      | 1,008 | 418   | 1,008 | 1,041 | 14  |



|                   |                   |         |     |                  |                  |         |                 |                 |                  |                  |               |
|-------------------|-------------------|---------|-----|------------------|------------------|---------|-----------------|-----------------|------------------|------------------|---------------|
| Property          | Property          |         |     |                  |                  |         |                 |                 |                  |                  |               |
| Partners          | Partners          |         |     |                  |                  |         |                 |                 |                  |                  |               |
| Americas          | Americas          | 12/2019 | (6) | 2,569            | 46               | 19%     | 2,523           | 159             | 2,523            | 2,970            | —             |
| Co-Investment     | Co-Investment     |         |     |                  |                  |         |                 |                 |                  |                  |               |
| Vehicles and      | Vehicles and      |         |     |                  |                  |         |                 |                 |                  |                  |               |
| Other             | Other             | Various |     | 5,684            | 1,346            | Various | 4,399           | 1,762           | 3,805            | 3,572            | 15            |
| <b>Total Real</b> | <b>Total Real</b> |         |     |                  |                  |         |                 |                 |                  |                  |               |
| <b>Assets</b>     | <b>Assets</b>     |         |     | <b>\$ 72,539</b> | <b>\$ 27,441</b> |         | <b>\$46,414</b> | <b>\$18,204</b> | <b>\$ 36,706</b> | <b>\$ 38,589</b> | <b>\$ 385</b> |

Total Real Assets

Total Real Assets

- (1) The start date represents the start of the fund's investment period as defined in the fund's governing documents and may or may not be the same as the date upon which management fees begin to accrue. For further information on management fee calculations, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.
- (2) The end date represents the end of the fund's investment period as defined in the fund's governing documents and is generally not the date upon which management fees cease to be paid. For further information on management fee calculations, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.
- (3) The commitment represents the aggregate capital commitments to the fund, including capital commitments by third-party fund investors and the general partner. Foreign currency commitments have been converted into U.S. dollars based on (i) the foreign exchange rate at the date of purchase for each investment and (ii) the exchange rate that prevailed on December 31, 2022, in the case of commitments. December 31, 2023.
- (4) The remaining cost represents the initial investment of the general partner and limited partners, reduced for returns of capital.
- (5) The "Invested" and "Realized" columns do not include the amounts of any realized investments that restored the unused capital commitments of the fund investors, if any.
- (6) Open-ended fund.

## Real Asset Investment Process and Fund Characteristics

### Real Asset Investment Process

Our infrastructure, real estate, and energy vehicles have a similar investment process as that described under "—Private Equity Investment Process and Fund Characteristics." Investment teams for a particular real asset strategy formally present potential investments to the applicable strategy oriented investment committee or the portfolio manager, as applicable, which monitors our due diligence practices and approves an investment before it is made. Our Real Asset strategies also typically have a portfolio management team that works with our investment professionals from the date on which an investment is made until the time it is exited in order to ensure that strategic and operational objectives are accomplished and that the performance of the investment is closely monitored. In addition to leveraging the resources of the firm, our energy, infrastructure, and real estate, and energy investment teams typically partner with technical experts and operators to manage our Real Asset investments.

### Real Asset Fund Structures

Our traditional infrastructure and real estate funds generally have investment periods of up to 6 years and generally have a fund term of up to 13 years. Management fees for such funds generally range from 0.75% to 1.5% on committed capital, invested capital or net asset value during the investment period and on invested capital or net asset value for investments thereafter, subject to certain adjustments. These funds generally have performance hurdles of 8% to 10% subject to a catch-up allocation to the general partner after the hurdle has been reached. Thereafter, the general partners of such funds generally share in 10% to 20% of net profits realized by limited partners.

Our core real estate and infrastructure funds are open-ended and do not have a fixed termination date. They also do not have a specified termination date for making investments. Management fees for such funds generally range from 0.5% to 1.2% of net asset value, subject to certain adjustments. The general partners of such funds are also entitled to incentive fees ranging generally from 5% to 10% of cash flow or net asset value appreciation, subject to performance hurdles. We also provide investment management services to the publicly available entities in our real assets strategy, including KREF, KREST and Crescent Energy. Crescent. These services are pursuant to a management agreement with specific KKR subsidiaries, which provide for the payment of management fees, generally ranging from 1.25% to 1.50% of their equity value or similar metric, as well as incentive fees.

## Private Equity and Real Asset Historical Performance

We take a long-term approach to Private Equity and Real Assets investing and measure the success of our investments over a period of years rather than months. Given the duration of these investments, the firm focuses on realized multiples of invested capital and internal rates of return ("IRRs") when deploying capital in these transactions. We have approximately doubled the value of capital that has been invested by our Private Equity and Real Assets investment funds, turning \$168.0 billion \$184.3 billion of invested capital into \$312.4 billion \$344.5 billion of value from our inception in 1976 to December 31, 2022 December 31, 2023.

From our inception in 1976 through December 31, 2022 December 31, 2023, our Private Equity and Real Assets investment funds with at least 24 months of investment activity generated a cumulative gross IRR of 25.6% 25.5%, compared to the 11.7% 11.9% and 8.9% 9.2% gross IRR achieved by the S&P 500 Index and MSCI World Index, respectively, over the same period, despite the cyclical and sometimes challenging environments in which we have operated. The S&P 500 Index and MSCI World Index are unmanaged indices and their returns assume reinvestment of distributions and do not reflect any fees or expenses. Our past performance, however, may not be representative of performance in any period other than the period discussed above and is not a guarantee of future results. For additional information regarding impact of market conditions on the value and performance of our investments, (see see our "Risk Factors" for further information). Factors."

The table below presents information as of December 31, 2022 December 31, 2023, relating to the historical performance of certain of our Private Equity and Real Assets investment vehicles since inception, which we believe illustrates the benefits of our investment approach. This data does not reflect additional capital raised since December 31,

2022 December 31, 2023, or acquisitions or disposals of investments, changes in investment values, or distributions occurring after that date. The information presented below is not intended to be representative of any past or future performance for any particular period other than the period presented below. Past performance is no guarantee of future results.

|                                                                                   |            | Amount |          | Fair Value of Investments |            |             |         |         |                                        |  |  |  |  |
|-----------------------------------------------------------------------------------|------------|--------|----------|---------------------------|------------|-------------|---------|---------|----------------------------------------|--|--|--|--|
| Private Equity and Real Assets Business Lines Investment Funds                    | Commitment | (2)    | Invested | Realized (4)              | Unrealized | Total Value | IRR (5) | IRR (5) | Gross Multiple of Invested Capital (5) |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
| (\$ in millions)                                                                  |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
| Private Equity and Real Assets Business Lines Investment Funds and Other Vehicles |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
| Private Equity and Real Assets Business Lines Investment Funds and Other Vehicles |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
| Private Equity and Real Assets Business Lines Investment Funds and Other Vehicles |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
|                                                                                   |            |        |          |                           |            |             |         |         |                                        |  |  |  |  |
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|                                                |                                                |        |        |        |        |        |         |         |     |
|------------------------------------------------|------------------------------------------------|--------|--------|--------|--------|--------|---------|---------|-----|
| Natural Resources Fund (2010)                  | Natural Resources Fund (2010)                  | 887    | 887    | 132    | 40     | 172    | (24.7)% | (26.5)% | 0.2 |
| Global Infrastructure Investors (2010)         | Global Infrastructure Investors (2010)         | 1,040  | 1,050  | 2,228  | —      | 2,228  | 17.6 %  | 15.6 %  | 2.1 |
| North America Fund XI (2012)                   | North America Fund XI (2012)                   | 8,718  | 10,024 | 22,643 | 3,722  | 26,365 | 24.3 %  | 19.7 %  | 2.6 |
| Asian Fund II (2013)                           | Asian Fund II (2013)                           | 5,825  | 7,185  | 6,337  | 2,164  | 8,501  | 5.0 %   | 3.4 %   | 1.2 |
| Real Estate Partners Americas (2013)           | Real Estate Partners Americas (2013)           | 1,229  | 1,023  | 1,408  | 53     | 1,461  | 16.2 %  | 11.3 %  | 1.4 |
| Energy Income and Growth Fund (2013)           | Energy Income and Growth Fund (2013)           | 1,974  | 1,974  | 1,050  | 612    | 1,662  | (5.2)%  | (7.8)%  | 0.8 |
| Global Infrastructure Investors II (2014)      | Global Infrastructure Investors II (2014)      | 3,039  | 3,163  | 4,515  | 1,627  | 6,142  | 19.5 %  | 16.8 %  | 1.9 |
| European Fund IV (2015)                        | European Fund IV (2015)                        | 3,511  | 3,637  | 5,122  | 2,742  | 7,864  | 24.0 %  | 18.7 %  | 2.2 |
| Real Estate Partners Europe (2015)             | Real Estate Partners Europe (2015)             | 705    | 671    | 685    | 276    | 961    | 13.3 %  | 9.5 %   | 1.4 |
| Next Generation Technology Growth Fund (2016)  | Next Generation Technology Growth Fund (2016)  | 659    | 666    | 870    | 1,055  | 1,925  | 32.3 %  | 27.5 %  | 2.9 |
| Health Care Strategic Growth Fund (2016)       | Health Care Strategic Growth Fund (2016)       | 1,331  | 1,169  | 196    | 1,550  | 1,746  | 21.4 %  | 13.5 %  | 1.5 |
| Americas Fund XII (2017)                       | Americas Fund XII (2017)                       | 13,500 | 12,419 | 5,591  | 17,439 | 23,030 | 24.3 %  | 19.5 %  | 1.9 |
| Real Estate Credit Opportunity Partners (2017) | Real Estate Credit Opportunity Partners (2017) | 1,130  | 1,008  | 418    | 1,041  | 1,459  | 9.9 %   | 8.6 %   | 1.4 |
| Core Investment Vehicles (2017)                | Core Investment Vehicles (2017)                | 24,753 | 13,293 | 872    | 21,359 | 22,231 | 21.2 %  | 19.9 %  | 1.7 |
| Asian Fund III (2017)                          | Asian Fund III (2017)                          | 9,000  | 7,909  | 5,031  | 10,826 | 15,857 | 31.1 %  | 24.2 %  | 2.0 |

|                                                            |                                                            |        |       |       |       |       |        |        |     |
|------------------------------------------------------------|------------------------------------------------------------|--------|-------|-------|-------|-------|--------|--------|-----|
| Real Estate Partners Americas II (2017)                    | Real Estate Partners Americas II (2017)                    | 1,921  | 1,901 | 2,489 | 645   | 3,134 | 28.4 % | 23.6 % | 1.6 |
| Global Infrastructure Investors III (2018)                 | Global Infrastructure Investors III (2018)                 | 7,159  | 6,144 | 1,582 | 5,921 | 7,503 | 10.8 % | 7.8 %  | 1.2 |
| Global Impact Fund (2019)                                  | Global Impact Fund (2019)                                  | 1,242  | 1,142 | 215   | 1,610 | 1,825 | 32.4 % | 23.9 % | 1.6 |
| European Fund V (2019)                                     | European Fund V (2019)                                     | 6,322  | 5,372 | 917   | 5,951 | 6,868 | 15.5 % | 11.3 % | 1.3 |
| Energy Income and Growth Fund II (2018)                    | Energy Income and Growth Fund II (2018)                    | 994    | 1,187 | 193   | 1,769 | 1,962 | 30.5 % | 27.7 % | 1.7 |
| Asia Real Estate Partners (2019)                           | Asia Real Estate Partners (2019)                           | 1,682  | 585   | 10    | 726   | 736   | 22.8 % | 9.5 %  | 1.3 |
| Next Generation Technology Growth Fund II (2019)           | Next Generation Technology Growth Fund II (2019)           | 2,088  | 2,008 | 306   | 2,499 | 2,805 | 24.0 % | 18.3 % | 1.4 |
| Real Estate Credit Opportunity Partners II (2019)          | Real Estate Credit Opportunity Partners II (2019)          | 950    | 656   | 126   | 654   | 780   | 11.8 % | 10.6 % | 1.2 |
| Asia Pacific Infrastructure Investors (2020)               | Asia Pacific Infrastructure Investors (2020)               | 3,792  | 2,374 | 424   | 2,254 | 2,678 | 13.2 % | 7.8 %  | 1.1 |
| Asian Fund IV (2020)                                       | Asian Fund IV (2020)                                       | 14,735 | 5,008 | 41    | 5,561 | 5,602 | 12.4 % | 4.4 %  | 1.1 |
| Real Estate Partners Europe II (2020)                      | Real Estate Partners Europe II (2020)                      | 2,052  | 1,404 | 365   | 1,173 | 1,538 | 9.5 %  | 4.7 %  | 1.1 |
| Real Estate Partners Americas III (2021) <sup>(3)</sup>    | Real Estate Partners Americas III (2021) <sup>(3)</sup>    | 4,253  | 2,500 | 167   | 2,428 | 2,595 | —      | —      | —   |
| Health Care Strategic Growth Fund II (2021) <sup>(3)</sup> | Health Care Strategic Growth Fund II (2021) <sup>(3)</sup> | 3,789  | 375   | —     | 392   | 392   | —      | —      | —   |
| Real Estate Partners Americas III (2021)                   | Real Estate Partners Americas III (2021)                   |        |       |       |       |       |        |        |     |
| Health Care Strategic Growth Fund II (2021)                | Health Care Strategic Growth Fund II (2021)                |        |       |       |       |       |        |        |     |
| North America Fund XIII (2021)                             | North America Fund XIII (2021)                             |        |       |       |       |       |        |        |     |

|                           |                           |            |            |            |            |            |        |        |     |
|---------------------------|---------------------------|------------|------------|------------|------------|------------|--------|--------|-----|
| Global                    | Global                    |            |            |            |            |            |        |        |     |
| Infrastructure            | Infrastructure            |            |            |            |            |            |        |        |     |
| Investors IV              | Investors IV              |            |            |            |            |            |        |        |     |
| (2021) <sup>(3)</sup>     | (2021) <sup>(3)</sup>     | 16,545     | 6,964      | 88         | 6,946      | 7,034      | —      | —      | —   |
| North America Fund XIII   |                           |            |            |            |            |            |        |        |     |
| (2021) <sup>(3)</sup>     |                           | 18,400     | 5,169      | —          | 5,349      | 5,349      | —      | —      | —   |
| European                  | European                  |            |            |            |            |            |        |        |     |
| Fund VI                   | Fund VI                   |            |            |            |            |            |        |        |     |
| (2022) <sup>(3)</sup>     | (2022) <sup>(3)</sup>     | 7,449      | —          | —          | —          | —          | —      | —      | —   |
| Global                    | Global                    |            |            |            |            |            |        |        |     |
| Impact Fund               | Impact Fund               |            |            |            |            |            |        |        |     |
| II (2022) <sup>(3)</sup>  | II (2022) <sup>(3)</sup>  | 1,981      | —          | —          | —          | —          | —      | —      | —   |
| Asia Pacific              | Asia Pacific              |            |            |            |            |            |        |        |     |
| Infrastructure            | Infrastructure            |            |            |            |            |            |        |        |     |
| Investors II              | Investors II              |            |            |            |            |            |        |        |     |
| (2022) <sup>(3)</sup>     | (2022) <sup>(3)</sup>     | 5,645      | —          | —          | —          | —          | —      | —      | —   |
| Next                      | Next                      |            |            |            |            |            |        |        |     |
| Generation                | Generation                |            |            |            |            |            |        |        |     |
| Technology                | Technology                |            |            |            |            |            |        |        |     |
| Growth Fund               | Growth Fund               |            |            |            |            |            |        |        |     |
| III (2022) <sup>(3)</sup> | III (2022) <sup>(3)</sup> | 2,358      | —          | —          | —          | —          | —      | —      | —   |
| Ascendant                 |                           |            |            |            |            |            |        |        |     |
| Fund (2022)               |                           |            |            |            |            |            |        |        |     |
| (3)                       |                           |            |            |            |            |            |        |        |     |
| Subtotal                  | Subtotal                  |            |            |            |            |            |        |        |     |
| -                         | -                         |            |            |            |            |            |        |        |     |
| Included                  | Included                  |            |            |            |            |            |        |        |     |
| Funds                     | Funds                     | 223,828    | 151,552    | 153,342    | 108,793    | 262,135    | 16.2 % | 12.4 % | 1.8 |
| All Funds                 |                           |            |            |            |            |            |        |        |     |
| All Funds                 |                           |            |            |            |            |            |        |        |     |
| All Funds                 | All Funds                 | \$ 240,303 | \$ 168,027 | \$ 203,611 | \$ 108,793 | \$ 312,404 | 25.6 % | 18.7 % | 1.9 |

- (1) These funds were not contributed to KKR as part of the acquisition of the assets and liabilities of KKR & Co. (Guernsey) L.P. (formerly known as KKR Private Equity Investors, L.P.) on October 1, 2009.
- (2) Where commitments are euro-denominated, not U.S. dollar-denominated, such amounts have been converted into U.S. dollars based on (i) the foreign exchange rate at the date of purchase for each investment and (ii) the exchange rate prevailing on December 31, 2022, in the case of commitments. December 31, 2023.
- (3) The gross IRR, net IRR and gross multiple of invested capital are calculated for our investment funds that made their first investment at least 24 months prior to December 31, 2022 December 31, 2023. We therefore have not calculated gross IRRs, net IRRs and gross multiples of invested capital with respect to these funds.

- (4) An investment is considered realized when it has been disposed of or has otherwise generated disposition proceeds or current income that has been distributed by the relevant fund.
- (5) IRRs measure the aggregate annual compounded returns generated by a fund's investments over a holding period. Net IRRs are calculated after giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees and organizational expenses. Gross IRRs are calculated before giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees and organizational expenses.

The gross multiples of invested capital measure the aggregate value generated by a fund's investments in absolute terms. Each multiple of invested capital is calculated by adding together the total realized and unrealized values of a fund's investments and dividing by the total amount of capital invested by the fund. Such amounts do not give effect to the allocation of realized and unrealized carried interest or the payment of any applicable management fees or organizational expenses.

KKR's Private Equity and Real Assets funds may utilize third-party financing facilities to provide liquidity to such funds. The above net and gross IRRs are calculated from the time capital contributions are due from fund investors to the time fund investors receive a related distribution from the fund, and the use of such financing facilities generally decreases the amount of time that would otherwise be used to calculate IRRs, which tends to increase IRRs when fair value grows over time and decrease IRRs when fair value decreases over time. KKR's Private Equity and Real Assets funds also generally provide in certain circumstances, which vary depending on the relevant fund documents, for a portion of capital returned to investors to be restored to unused commitments as recycled capital. For KKR's Private Equity and Real Assets funds that have a preferred return, we take into account recycled capital in the calculation of IRRs and multiples of invested capital because the calculation of the preferred return includes the effect of recycled capital. For KKR's Private Equity and Real Assets funds that do not have a preferred return, we do not take recycled capital into account in the calculation of IRRs and multiples of invested capital. The inclusion of recycled capital generally causes invested and realized amounts to be higher and IRRs and multiples of invested capital to be lower than had recycled capital not been included. The inclusion of recycled capital would reduce the composite net IRR of all Included Funds by 0.1% and the composite net IRR of all Legacy Funds by 0.5% and would reduce the composite multiple of invested capital of Included Funds by less than 0.1 and the composite multiple of invested capital of Legacy Funds by 0.4.

For more information, see "Risk Factors—Risks Related to the Assets We Manage—Our Investment Activities—Future results of our funds, our insurance subsidiaries or our balance sheet investments may be different than, and may not achieve the levels of, any of their our historical returns."

## Credit and Liquid Strategies

## Overview

Through our Credit and Liquid Strategies business line, we report our credit and hedge funds platforms on a combined basis. As of December 31, 2023, our Credit and Liquid Strategies business line had \$245.5 billion of AUM, comprised of \$123.3 billion of assets managed in our leveraged credit strategies, \$86.1 billion of assets managed in our private credit strategy, \$9.6 billion of assets managed in our SIG strategy, and \$26.5 billion of assets managed through our hedge fund platform. We manage \$124.9 billion of credit investments for our Global Atlantic insurance companies. Our BDCs have approximately \$15.4 billion in assets under management, which is reflected in the AUM of our private credit strategies above. We report all of the assets under management of our BDCs in our AUM, but we report only a pro rata portion of the assets under management of our hedge fund partnerships based on our percentage ownership in them.

### Credit

Our credit platform invests capital in a broad range of corporate debt and collateral-backed investments across asset classes and capital structures. Our credit strategies are primarily managed by KKR Credit Advisors (US) LLC, which is an SEC-registered investment adviser, KKR Credit Advisors (Ireland) Unlimited Company, which is regulated by the Central Bank of Ireland ("CBI"), KKR Credit Advisors (EMEA) LLP, which is regulated by the United Kingdom ("UK") Financial Conduct Authority (the "FCA"), and KKR Credit Advisors (Singapore) Pte. Ltd., which is regulated by the Monetary Authority of Singapore and an SEC-registered investment adviser. We also jointly own with a third party FS/KKR Advisor, LLC, an investment adviser registered with the SEC that provides investment advisory services to certain registered investment companies, including FS KKR Capital Corp. (NYSE: FSK), a publicly listed BDC. For further information regarding the legal entities involved in the Credit business BDC and the regulatory and legal requirements that apply to these entities and their activities, see "—Regulation." KKR FS Income Trust, a privately-offered BDC.

Our hedge funds platform consists of strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake. Our hedge fund partnerships offer a range of alternative investment strategies, including long/short equity, hedge fund-of-funds and energy credit investments.

Our credit business pursues a variety of investment strategies in leveraged credit and alternative credit.

**Leveraged Credit.** Our leveraged credit strategies seek to primarily invest in leveraged loans (including revolving credit facilities), CLOs, high yield bonds, structured credit, stressed securities and illiquid credits. Within leveraged credit, we manage both single-asset class and multi-asset class pools of capital. Our opportunistic credit strategy seeks to deploy capital across investment themes that seek to take advantage of credit market dislocations, spanning asset types and liquidity profiles. Our multi-asset credit strategy seeks to dynamically allocate across asset types in a broadly diversified strategy. Our revolving credit strategy invests in senior secured revolving credit facilities.

**Alternative Credit.** Our alternative credit strategy consists of our (i) private credit strategies and (ii) investments overseen by our credit platform's strategic investments group ("SIG"):

- **Private Credit.** Our private credit strategies focus on privately or directly originated and negotiated transactions. These strategies include direct lending typically in the senior part of a company's capital structure, junior mezzanine debt, and asset-based finance. Through our direct lending strategy, we seek to make investments in primarily senior debt financings for middle-market companies. Through our junior mezzanine debt strategy, investments typically consist of subordinated debt, which generates a current yield, coupled with marginal equity exposure for additional upside potential. Our asset-based finance strategy focuses on portfolios of financial loans and loans backed by hard assets.
- **Strategic Investments Group.** This strategy seeks to provide strategic capital solutions to high quality, mid-to-large cap companies and assets. The strategy pursues investments in corporate credit as well as asset or real estate-backed credit, where we believe market volatility or other investment themes have created the opportunity to invest opportunistically across the capital structure and through market cycles to generate outsized returns with downside-protected securities. These investments may include stressed or distressed investments (including post-restructuring equity), control-oriented opportunities, rescue financing (debt or equity investments made to address covenant, maturity or liquidity issues), debtor-in-possession or exit financing and other event-driven investments in debt or equity.

### Hedge Fund Platform

Our hedge fund platform consists of strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake. This principally consists of a 39.6% interest in Marshall Wace LLP (together with its affiliates, "Marshall Wace"), a global alternative investment manager specializing in long/short equity products. We also own (i) other interests in third-party hedge fund managers, including 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, and (ii) a 24.9% interest in BlackGold Capital Management L.P. ("BlackGold"), a credit-oriented investment manager focused on energy and hard asset investments.

portfolios.

## Credit and Liquid Strategies Assets Under Management and Select Fund Performance Information

The following chart presents the growth in the AUM of our Credit and Liquid Strategies business line from the December 31, 2018 December 31, 2019 through December 31, 2022 December 31, 2023.

**Credit and Liquid Strategies**  
**Assets Under Management <sup>(1)</sup>**  
**(\$ in billions)**  
 5078

(1) AUM of acquired businesses and pro rata AUM of hedge fund partnerships in which KKR has made an investment are included in the years on and after the completion of the respective acquisitions or transactions, as applicable.

The table below presents information as of **December 31, 2022** **December 31, 2023**, relating to our current credit **funds vehicles reported** in our Credit and Liquid Strategies business line for which we have the ability to earn carried interest. This data does not reflect acquisitions or disposals of investments, changes in investment values, or distributions occurring after **December 31, 2022** **December 31, 2023**.

|                                            |                                            | Investment Period       |         |            |             |          |          |        |           |            |          | Investment Period |      | Amount (\$ in millions) |             |            |          |          |      |            |           |               |         |
|--------------------------------------------|--------------------------------------------|-------------------------|---------|------------|-------------|----------|----------|--------|-----------|------------|----------|-------------------|------|-------------------------|-------------|------------|----------|----------|------|------------|-----------|---------------|---------|
|                                            |                                            | Amount (\$ in millions) |         |            |             |          |          |        |           |            |          |                   |      | Amount (\$ in millions) |             |            |          |          |      |            |           |               |         |
|                                            |                                            | Percentage              |         |            |             |          |          |        |           |            |          |                   |      | Percentage              |             |            |          |          |      |            |           |               |         |
|                                            |                                            | Committed               |         |            |             |          |          |        |           |            |          |                   |      | Committed               |             |            |          |          |      |            |           |               |         |
|                                            |                                            | Accrued                 |         |            |             |          |          |        |           |            |          | Accrued           |      |                         |             |            |          |          |      |            |           |               |         |
|                                            |                                            | Start                   | End     | Uncalled   | by General  | Invested | Realized | Cost   | Remaining | Remaining  | Carried  | Start             | End  | Commitment              | Uncalled    | by General | Invested | Realized | Cost | Remaining  | Remaining | Gross Accrued | Carried |
|                                            |                                            | Date                    | Date    | Commitment | Commitments | Partner  |          |        |           | Fair Value | Interest | Date              | Date |                         | Commitments | Partner    | Invested | Realized | Cost | Fair Value |           | Interest      |         |
| Credit and Liquid Strategies Business Line | Credit and Liquid Strategies Business Line |                         |         |            |             |          |          |        |           |            |          |                   |      |                         |             |            |          |          |      |            |           |               |         |
|                                            | Opportunities Fund II                      |                         |         |            |             |          |          |        |           |            |          |                   |      |                         |             |            |          |          |      |            |           |               |         |
|                                            | Opportunities Fund II                      |                         |         |            |             |          |          |        |           |            |          |                   |      |                         |             |            |          |          |      |            |           |               |         |
|                                            | Opportunities Fund II                      |                         |         |            |             |          |          |        |           |            |          |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Dislocation Opportunities Fund             | Dislocation Opportunities Fund             | 8/2019                  | 11/2021 | \$ 2,967   | \$ 587      | 14%      | \$ 2,380 | \$ 763 | \$ 1,935  | \$ 2,018   | \$ 42    |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Special Situations Fund II                 | Special Situations Fund II                 | 2/2015                  | 3/2019  | 3,525      | 284         | 9%       | 3,241    | 2,242  | 1,481     | 1,462      | —        |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Special Situations Fund                    | Special Situations Fund                    | 1/2013                  | 1/2016  | 2,274      | 1           | 12%      | 2,273    | 1,749  | 610       | 387        | —        |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Mezzanine Partners                         | Mezzanine Partners                         | 7/2010                  | 3/2015  | 1,023      | 33          | 4%       | 990      | 1,165  | 256       | 119        | (20)     |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Asset-Based Finance Partners               | Asset-Based Finance Partners               | 10/2020                 | 7/2025  | 2,059      | 1,449       | 7%       | 610      | 26     | 610       | 653        | 10       |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Private Credit Opportunities Partners II   | Private Credit Opportunities Partners II   | 12/2015                 | 12/2020 | 2,245      | 434         | 2%       | 1,811    | 756    | 1,344     | 1,292      | —        |                   |      |                         |             |            |          |          |      |            |           |               |         |
|                                            | Lending Partners IV                        |                         |         |            |             |          |          |        |           |            |          |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Lending Partners III                       | Lending Partners III                       | 4/2017                  | 11/2021 | 1,498      | 693         | 2%       | 805      | 493    | 741       | 745        | 32       |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Lending Partners II                        | Lending Partners II                        | 6/2014                  | 6/2017  | 1,336      | 157         | 4%       | 1,179    | 1,178  | 203       | 99         | —        |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Lending Partners                           | Lending Partners                           | 12/2011                 | 12/2014 | 460        | 40          | 15%      | 420      | 458    | 29        | 11         | —        |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Lending Partners Europe II                 | Lending Partners Europe II                 | 5/2019                  | 9/2023  | 837        | 158         | 7%       | 679      | 81     | 679       | 666        | 2        |                   |      |                         |             |            |          |          |      |            |           |               |         |
| Lending Partners Europe                    | Lending Partners Europe                    | 3/2015                  | 3/2019  | 848        | 184         | 5%       | 662      | 380    | 314       | 244        | —        |                   |      |                         |             |            |          |          |      |            |           |               |         |

|                         |             |         |           |           |         |          |          |           |           |       |
|-------------------------|-------------|---------|-----------|-----------|---------|----------|----------|-----------|-----------|-------|
| Asia Credit             | 1/2021      | 5/2025  | 1,084     | 813       | 9%      | 271      | —        | 271       | 297       | 4     |
| Asia Credit             |             |         |           |           |         |          |          |           |           |       |
| Opportunities           |             |         |           |           |         |          |          |           |           |       |
| Other                   | Other       |         |           |           |         |          |          |           |           |       |
| Alternative             | Alternative |         |           |           |         |          |          |           |           |       |
| Credit                  | Credit      |         |           |           |         |          |          |           |           |       |
| Vehicles                | Vehicles    | Various | 14,202    | 6,830     | Various | 7,525    | 5,915    | 3,768     | 3,777     | 10    |
| Total                   | Total       |         |           |           |         |          |          |           |           |       |
| Credit and              | Credit and  |         |           |           |         |          |          |           |           |       |
| Liquid                  | Liquid      |         |           |           |         |          |          |           |           |       |
| Strategies              | Strategies  |         | \$ 34,358 | \$ 11,663 |         | \$22,846 | \$15,206 | \$ 12,241 | \$ 11,770 | \$ 80 |
| Total Credit and Liquid |             |         |           |           |         |          |          |           |           |       |
| Strategies              |             |         |           |           |         |          |          |           |           |       |
| Total Credit and Liquid |             |         |           |           |         |          |          |           |           |       |
| Strategies              |             |         |           |           |         |          |          |           |           |       |

- (1) The start date represents the start of the fund's investment period as defined in the fund's governing documents and may or may not be the same as the date upon which management fees begin to accrue. For further information on management fee calculations, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.
- (2) The end date represents the end of the fund's investment period as defined in the fund's governing documents and is generally not the date upon which management fees cease to be paid. For further information on management fee calculations, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.
- (3) The commitment represents the aggregate capital commitments to the fund, including capital commitments by third-party fund investors and the general partner. Foreign currency commitments have been converted into U.S. dollars based on (i) the foreign exchange rate that prevailed at the time of the final close of the fund or (ii) the foreign exchange rate that prevailed on December 31, 2022, in the case of funds that haven't held their final close, December 31, 2023.
- (4) The remaining cost represents the initial investment of the general partner and limited partners, reduced for returns of capital.

The following table presents information regarding larger leveraged credit strategies managed by KKR from inception to December 31, 2022 December 31, 2023. The information presented below is not intended to be representative of any past or future performance for any particular period other than the period presented below. Past performance is no guarantee of any future result.

| Leveraged Credit Strategy    | Leveraged Credit Strategy    | Inception Date | Gross Returns | Net Returns | Benchmark (1)                                             | Benchmark Gross Returns |
|------------------------------|------------------------------|----------------|---------------|-------------|-----------------------------------------------------------|-------------------------|
| Bank Loans Plus High Yield   |                              | Jul 2008       | 6.50 %        | 5.90 %      | 65% S&P/LSTA Loan Index, 35% BoAML HY Master II Index (2) | 5.18%                   |
| Leveraged Credit Strategy    |                              |                |               |             |                                                           |                         |
| Leveraged Credit Strategy    |                              |                |               |             |                                                           |                         |
| Multi-Asset Credit Composite | Multi-Asset Credit Composite | Jul 2008       | 6.99 %        | 6.30 %      | 50% S&P/LSTA Loan Index, 50% BoAML HY Master II Index (2) | 5.63%                   |
| Opportunistic Credit (3)     | Opportunistic Credit (3)     | May 2008       | 9.84 %        | 8.21 %      | 50% S&P/LSTA Loan Index, 50% BoAML HY Master II Index (3) | 5.83%                   |
| Bank Loans                   | Bank Loans                   | Apr 2011       | 4.84 %        | 4.27 %      | S&P/LSTA Loan Index (4)                                   | 4.55%                   |
| High-Yield                   | High-Yield                   | Apr 2011       | 5.34 %        | 4.76 %      | BoAML HY Master II Index (5)                              | 5.33%                   |





| Credit and Liquid Strategies             | Credit and Liquid Strategies          | Investment Period Start |            |                         |                         |            |             |                          |                        |                                             |  |  |
|------------------------------------------|---------------------------------------|-------------------------|------------|-------------------------|-------------------------|------------|-------------|--------------------------|------------------------|---------------------------------------------|--|--|
| Investment Funds                         | Investment Funds                      | Date                    | Commitment | Invested <sup>(1)</sup> | Realized <sup>(1)</sup> | Unrealized | Total Value | Gross IRR <sup>(2)</sup> | Net IRR <sup>(2)</sup> | Multiple of Invested Capital <sup>(3)</sup> |  |  |
| Credit and Liquid Strategies             |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Investment Funds                         |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Credit and Liquid Strategies             |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Investment Funds                         |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| (\$ in Millions)                         | (\$ in Millions)                      |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| (\$ in Millions)                         |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| (\$ in Millions)                         |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Opportunities Fund II                    |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Opportunities Fund II                    |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Opportunities Fund II                    |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Dislocation Opportunities Fund           |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Dislocation Opportunities Fund           |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Dislocation Opportunities                | Dislocation Opportunities             | Aug 2019                | \$ 2,967   | \$ 2,380                | \$ 763                  | \$ 2,018   | \$ 2,781    | 12.4 %                   | 9.7 %                  | 1.2                                         |  |  |
| Fund                                     | Fund                                  |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Special Situations Fund II               | Special Situations Fund               | Feb 2015                | 3,525      | 3,241                   | 2,242                   | 1,462      | 3,704       | 3.6 %                    | 1.6 %                  | 1.1                                         |  |  |
| Special Situations Fund II               |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Special Situations Fund II               |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Special Situations Fund                  |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Special Situations Fund                  |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Special Situations Fund                  | Special Situations Fund               | Jan 2013                | 2,274      | 2,273                   | 1,749                   | 387        | 2,136       | (1.4) %                  | (3.2) %                | 0.9                                         |  |  |
| Mezzanine Partners                       | Mezzanine Partners                    | July 2010               | 1,023      | 990                     | 1,165                   | 119        | 1,284       | 8.8 %                    | 5.5 %                  | 1.3                                         |  |  |
| Mezzanine Partners                       |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Mezzanine Partners                       |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Asset-Based Finance Partners             | Asset-Based Finance Partners          | Oct 2020                | 2,059      | 610                     | 26                      | 653        | 679         | 13.1 %                   | 9.1 %                  | 1.1                                         |  |  |
| Asset-Based Finance Partners             |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Private Credit Opportunities Partners II | Private Credit Opportunities Partners | Dec 2015                | 2,245      | 1,811                   | 756                     | 1,292      | 2,048       | 4.3 %                    | 2.6 %                  | 1.1                                         |  |  |
| Private Credit Opportunities Partners II |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Private Credit Opportunities Partners II |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners IV                      |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners IV                      |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners IV                      |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners III                     |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners III                     |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners III                     | Lending Partners III                  | Apr 2017                | 1,498      | 805                     | 493                     | 745        | 1,238       | 14.8 %                   | 12.1 %                 | 1.5                                         |  |  |
| Lending Partners II                      | Lending Partners II                   | Jun 2014                | 1,336      | 1,179                   | 1,178                   | 99         | 1,277       | 2.9 %                    | 1.5 %                  | 1.1                                         |  |  |
| Lending Partners II                      |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners II                      |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners                         |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners                         |                                       |                         |            |                         |                         |            |             |                          |                        |                                             |  |  |
| Lending Partners                         | Lending Partners                      | Dec 2011                | 460        | 420                     | 458                     | 11         | 469         | 3.4 %                    | 1.8 %                  | 1.1                                         |  |  |

|                                   |                   |          |           |           |           |           |           |       |   |       |       |
|-----------------------------------|-------------------|----------|-----------|-----------|-----------|-----------|-----------|-------|---|-------|-------|
| Lending Partners                  | Lending Partners  |          |           |           |           |           |           |       |   |       |       |
| Europe II                         | Europe II         | May 2019 | 837       | 679       | 81        | 666       | 747       | 13.2  | % | 9.5   | % 1.1 |
| Lending Partners Europe II        |                   |          |           |           |           |           |           |       |   |       |       |
| Lending Partners Europe II        |                   |          |           |           |           |           |           |       |   |       |       |
| Lending Partners                  | Lending Partners  |          |           |           |           |           |           |       |   |       |       |
| Europe                            | Europe            | Mar 2015 | 848       | 662       | 380       | 244       | 624       | (1.8) | % | (4.2) | % 0.9 |
| Asia Credit                       |                   | Jan 2021 | 1,084     | 271       | —         | 297       | 297       | N/A   |   | N/A   | N/A   |
| Lending Partners Europe           |                   |          |           |           |           |           |           |       |   |       |       |
| Lending Partners Europe           |                   |          |           |           |           |           |           |       |   |       |       |
| Asia Credit Opportunities         |                   |          |           |           |           |           |           |       |   |       |       |
| Asia Credit Opportunities         |                   |          |           |           |           |           |           |       |   |       |       |
| Asia Credit Opportunities         |                   |          |           |           |           |           |           |       |   |       |       |
| Other Alternative Credit Vehicles |                   |          |           |           |           |           |           |       |   |       |       |
| Other Alternative Credit Vehicles |                   |          |           |           |           |           |           |       |   |       |       |
| Other Alternative                 | Other Alternative |          |           |           |           |           |           |       |   |       |       |
| Credit Vehicles                   | Credit Vehicles   | Various  | 14,202    | 7,525     | 5,915     | 3,777     | 9,692     | N/A   |   | N/A   | N/A   |
| All Funds                         | All Funds         |          | \$ 34,358 | \$ 22,846 | \$ 15,206 | \$ 11,770 | \$ 26,976 |       |   |       |       |
| All Funds                         |                   |          |           |           |           |           |           |       |   |       |       |
| All Funds                         |                   |          |           |           |           |           |           |       |   |       |       |

- (1) Recycled capital is excluded from the amounts invested and realized.
- (2) These credit funds utilize third-party financing facilities to provide liquidity to such funds, and in such event IRRs are calculated from the time capital contributions are due from fund investors to the time fund investors receive a related distribution from the fund. The use of such financing facilities generally decreases the amount of invested capital that would otherwise be used to calculate IRRs, which tends to increase IRRs when fair value grows over time and decrease IRRs when fair value decreases over time. IRRs measure the aggregate annual compounded returns generated by a fund's investments over a holding period and are calculated taking into account recycled capital. Net IRRs presented are calculated after giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees and organizational expenses. Gross IRRs are calculated before giving effect to the allocation of carried interest and the payment of any applicable management fees and organizational expenses.
- (3) The multiples of invested capital measure the aggregate value generated by a fund's investments in absolute terms. Each multiple of invested capital is calculated by adding together the total realized and unrealized values of a fund's investments and dividing by the total amount of capital invested by the investors. The use of financing facilities generally decreases the amount of invested capital that would otherwise be used to calculate multiples of invested capital, which tends to increase multiples when fair value grows over time and decrease multiples when fair value decreases over time. Such amounts do not give effect to the allocation of any realized and unrealized returns on a fund's investments to the fund's general partner pursuant to a carried interest or the payment of any applicable management fees and are calculated without taking into account recycled capital.

For additional information regarding impact of market conditions on the value and performance of our investments, see "Risk Factors—Risks Related to Our Business—Difficult market and economic conditions can, and periodically do, materially adversely affect our business in many ways, which could adversely impact our net income, cash flow, financial condition and prospects. KKR." and "Risk Factors—Risks Related to the Assets We Manage—Our Investment Activities—Future results of our funds, our insurance subsidiaries or our balance sheet investments may be different than, and may not achieve the levels of, any of their our historical returns."

As of December 31, 2022, our Credit and Liquid Strategies business line had \$220.2 billion of AUM, comprised of \$109.5 billion of assets managed in our leveraged credit strategies, \$75.2 billion of assets managed in our private credit strategy, and \$7.6 billion of assets managed in our SIG strategy, \$26.1 billion of assets managed through our hedge fund platform, and \$1.8 billion of assets managed in other Credit and Liquid Strategies strategies. We manage \$105.1 billion of credit investments for our Global Atlantic insurance companies. Our BDC has approximately \$16.2 billion in assets under management, which is reflected in the AUM of our leveraged credit and private credit strategies above. We report all of the assets under management of our BDC in our AUM, but we report only a pro rata portion of the assets under management of our hedge fund partnerships based on our percentage ownership in them.

The table below presents information as of December 31, 2022 December 31, 2023, based on the investment funds or other vehicles or accounts offered by our Credit and Liquid Strategies business line. Our funds, vehicles and accounts have been sorted based upon their primary investment strategies. However, the AUM and FPAUM presented for each line in the table includes certain investments from non-primary investment strategies, which are permitted by their investment mandates, for purposes of presenting the fees and other terms for such funds, vehicles and accounts.

|                  |                  | Typical Management Incentive Fee / |       |          |                  |                  |                     |                  |     |       |  | Typical         |
|------------------|------------------|------------------------------------|-------|----------|------------------|------------------|---------------------|------------------|-----|-------|--|-----------------|
| (\$ in millions) | (\$ in millions) | AUM                                | FPAUM | Fee Rate | Carried Interest | Preferred Return | Duration of Capital | (\$ in millions) | AUM | FPAUM |  | Managem Fee Rat |
| Leveraged        | Leveraged        |                                    |       |          |                  |                  |                     | Leveraged        |     |       |  |                 |
| Credit:          | Credit:          |                                    |       |          |                  |                  |                     | Credit:          |     |       |  |                 |

- (1) Includes credit investments we manage for our Global Atlantic insurance companies. This capital is perpetual in nature, not subject to an incentive fee or carried interest, and does not require a preferred return.
- (2) Certain funds and CLOs are subject to a performance fee in which the manager or general partner of the funds share up to 20% of the net profits earned by investors in excess of performance hurdles (generally tied to a benchmark or index) and subject to a provision requiring the funds and vehicles to regain prior losses before any performance fee is earned.
- (3) Duration of capital is measured from inception. Inception dates for CLOs were between 2013 and 2022, 2023 and for separately managed accounts and funds investing in alternative credit strategies from 2009 through 2022, 2023.
- (4) Our alternative credit funds generally have investment periods of two to five years and our newer alternative credit funds generally earn management fees on invested capital throughout their lifecycle.
- (5) Lower fees on uninvested capital in certain vehicles.
- (6) Hedge Funds represent KKR's pro rata portion of AUM and FPAUM of our hedge fund partnerships.
- (7) Represents FSK, FS KKR Capital Corp. and KKR FS Income Trust. We report all of the assets under management of this BDC these BDCs in our AUM and FPAUM.

## Sourcing and Selecting Investments

We source our credit investment opportunities through a variety of channels, including internal deal generation strategies and the firm's global network of contacts at major companies, corporate executives, commercial and investment banks, financial intermediaries, other private equity sponsors and other investment and advisory institutions. We are also provided with opportunities to invest, in certain strategies where appropriate, in the securities of KKR's private equity portfolio companies, though there are limitations across the platform on the availability and maximum size of such KKR-affiliated investments.

## Due Diligence and the Investment Decision

Once a potential credit investment has been identified, our investment professionals screen the opportunity and make a preliminary determination concerning whether we should proceed with further diligence. When evaluating the suitability of an investment for our credit vehicles, we typically employ a relative value framework and subject the investment to due diligence. This review considers many factors including, as appropriate, expected returns, capital structure, credit ratings, historical and projected financial data, the issuer's competitive position, the quality and track record of the issuer's management team, margin stability, and industry and company trends. Investment professionals use the services of outside advisors and industry experts as appropriate to assist them in the due diligence process and, when relevant and permitted, leverage the knowledge and experience of our Private Equity and Real Assets investment professionals. Strategy-specific investment committees monitor our due diligence practices.

## Monitoring Investments

We monitor our portfolios of investments using, as applicable, daily, quarterly and annual analyses. Daily analyses include morning market meetings, industry and company pricing runs, industry and company reports and discussions with the firm's Private Equity, Real Assets and Capital Markets investment professionals on an as-needed basis. Quarterly analyses include the preparation of quarterly operating results, reconciliations of actual results to projections and updates to financial models (baseline and stress cases). Annual analyses involve conducting internal audits, and testing compliance with monitoring and documentation requirements.

## Credit Vehicles and Fund Structures

We pursue leveraged credit and alternative credit investments across a range of vehicles, including investment funds and separately managed accounts, for which we receive a fee and in certain cases an incentive fee or carried interest.

We also manage structured credit vehicles in the form of CLOs that hold leveraged loans, high-yield bonds or a combination of both. CLOs are typically structured as special purpose investment vehicles that acquire, monitor and, to varying degrees, manage a pool of credit assets. CLOs generally serve as long-term financing for leveraged credit investments and as a way to reduce refinancing risk, reduce maturity risk and secure a fixed cost of funds over an underlying market interest rate. We typically receive a fee for managing CLOs.

We also serve as the investment adviser to investment companies registered under the U.S. Investment Company Act of 1940 (the "Investment Company Act," and such registered investment companies, "RICs"), including KKR Income Opportunities Fund (NYSE: KIO), KKR Credit Opportunities Portfolio (an interval fund), as well as FS KKR Capital Corp. (NYSE: FSK) and KKR FS Income Trust (a privately offered BDC) through our joint ownership of its their investment adviser. We also serve as the investment adviser to other vehicles that are available to public investors, including KKR Credit Income Fund (an Australian listed investment trust; ASX: KKC). The management fees we are paid for managing RICs are generally subject to contractual rights that require their board of directors to provide prior notice in order to terminate our investment management services.

## Capital Markets

Our Capital Markets business line is comprised of our global capital markets business, which is integrated with KKR's asset management business lines, and serves our firm, our portfolio companies and third-party customers by developing and implementing both traditional and non-traditional capital solutions for investments or companies seeking financing. These services include arranging debt and equity financing, placing and underwriting securities offerings, and providing other types of capital markets services that result in the firm receiving fees, including underwriting, placement, transaction and syndication fees, commissions, underwriting discounts, interest payments and other compensation, which may be payable in cash or securities, in respect of the activities described above. The third-party customers of our capital markets business include multi-national corporations, public and private companies, financial sponsors, mutual funds, pension funds, sovereign wealth funds, and hedge funds globally. Our capital markets business provides these third-party clients with differentiated access to capital through our distribution platform.

Our capital markets business underwrites credit facilities and arranges loan syndications and participations. When we are sole or lead arrangers of a credit facility, we may advance amounts to the borrower on behalf of other lenders, subject to repayment. When we underwrite an offering of securities on a firm commitment basis, we commit to buy and sell an issue of securities and generate revenue by purchasing the securities at a discount or for a fee. When we act in an agency capacity or best efforts basis, we generate revenue for arranging financing or placing securities with capital markets investors. We may also provide issuers with capital markets advice on capital structuring, access to markets, marketing considerations, securities pricing, and other aspects of capital markets transactions in exchange for a fee. Our capital markets business also provides syndication services in respect of co-investments in transactions participated in by KKR funds or third-party clients, which may entitle the firm to receive syndication fees, management fees and/or a carried interest.

The capital markets business has a global footprint, with local presence and licenses to carry out certain broker-dealer activities in various countries in North America, Europe, Asia-Pacific and the Middle East. Our flagship capital markets subsidiary is subsidiaries include KKR Capital Markets LLC, which is an SEC-registered broker-dealer and a member of the Financial Industry Regulatory Authority ("FINRA"), and KKR Capital Markets Asia Limited, a Hong Kong licensed asset manager and broker dealer licensed by the Securities and Futures Commission in Hong Kong to carry on dealing in securities, advising on securities and asset management regulated activities.

## Principal Activities

Through our Principal Activities business line, we manage the firm's own assets on our firm's balance sheet and deploy capital to support and grow our Private Equity, Real Assets, and Credit and Liquid Strategies business lines.

Typically, the funds in our Private Equity, Real Assets, and Credit and Liquid Strategies business lines contractually require us, as general partner of the funds, to make sizable capital commitments. We believe making general partner commitments assists us in raising new funds from limited partners by demonstrating our conviction in a given fund's strategy. A substantial portion of our Principal Activities business line has been dedicated to support our core private equity strategy, where we have committed to fund investors to invest a significant amount of our own capital alongside their core private equity investments. Our commitments to fund capital also occurs where we are the holder of the subordinated notes or the equity tranche of investment vehicles that we sponsor, including structured transactions. We also use our balance sheet to bridge investment activity during fundraising, for example by funding investments for new funds and acquiring investments to establish a track record for new investment strategies. We also use our own capital to bridge capital selectively for our funds' investments or finance strategic transactions, although the financial results of an acquired business may be reported in our other business lines.

Our Principal Activities business line also provides the required capital to fund the various commitments of our Capital Markets business line when underwriting or syndicating securities, or when providing term loan commitments for transactions involving our portfolio companies and for third parties. Our Principal Activities business line also holds assets that are utilized to satisfy regulatory requirements for our Capital Markets business line and risk retention requirements for certain investment vehicles.

We also make opportunistic investments through our Principal Activities business line, which include co-investments alongside our Private Equity, Real Assets and Credit and Liquid Strategies funds, as well as Principal Activities investments that do not involve our Private Equity, Real Assets, or Credit and Liquid Strategies funds.

We endeavor to use our balance sheet strategically and opportunistically to generate an attractive risk-adjusted return on equity in a manner that is consistent with our fiduciary duties, in compliance with applicable laws, and consistent with our one-firm approach.

The chart below presents the holdings of our Principal Activities business line by asset class as of December 31, 2022 December 31, 2023.

### Holdings by Asset Class <sup>(1)</sup>

2759

(1) General partner commitments in our funds are included in the various asset classes shown above. Assets and revenues of other asset managers with which KKR has formed strategic partnerships where KKR does not hold more than 50% ownership interest are not included in our Principal Activities business line but are reported in the financial results of our other business lines.

#### Core Private Equity

As A substantial portion of December 31, 2022, our Principal Activities business line has been dedicated to support our core private equity strategy, where we have committed to fund investors to invest a significant amount of our own capital alongside their core private equity investments. As discussed above, our core private equity strategy targets investments account for over 30% of the investments on with a longer holding period and a lower anticipated risk profile than our balance sheet, traditional private equity investments. Core private equity consists of investments anticipated to be held for a longer holding period and which possess a lower anticipated risk profile than our traditional private equity investments. Our core private equity investments are made in companies that, among other things, we believe are more stable, and typically with lower leverage over our holding period than those companies in which our traditional private equity investments are made. As of December 31, 2023, core private equity investments accounted for over 30% of the investments on our balance sheet. We believe our core private equity investments should generate earnings that compound over a long period of time. As of December 31, 2022 December 31, 2023, the fair value of our core private equity investments on the balance sheet was \$5.7 billion \$6.7 billion, resulting in an inception to date gross IRR of 21% 19%. Additionally, our core private equity portfolio is geographically diversified with 68%, 24%, and 8% (based on fair values) invested in North America, Europe, and the Asia-Pacific region, respectively. "Investments" as referenced above is a term used solely for purposes of financial presentation of a portion of our balance sheet and includes majority ownership of subsidiaries that operate our asset management, broker-dealer, insurance and other businesses, including the general partner interests of our investment funds, funds, controlling interests in core private equity companies, and the Global Atlantic insurance companies.

As a result of acquiring the remaining minority interests of Global Atlantic that we did not already own on January 2, 2024, beginning with KKR & Co. Inc.'s quarterly report on Form 10-Q for the quarter ending March 31, 2024, we expect to have a third segment named Strategic Holdings, which we expect will initially be comprised of the firm's participation in our core private equity strategy, and we expect that the periodic financial operating results for these investments will no longer be reported as part of our Principal Activities business line within the asset management segment.

#### Fundraising and Composition of Fund Investors

We have dedicated employees in our KKR Client Services, formerly known as our Client & Partner Group, who are responsible for raising capital for our asset management businesses globally across all products, expanding our investment advisory relationships across asset classes and across types of fund investors, developing products to meet our fund investors' needs, and servicing existing fund investors and products. We also provide customized solutions for investors seeking diversified portfolios of investment funds and direct co-investments in privately negotiated investments. From time to time, we also provide fundraising services to certain third-party fund managers in our hedge fund partnerships.

As of December 31, 2022 December 31, 2023, we had over 1,600 1,800 investors in privately offered funds across all our strategies. The following charts detail our investor base by type and geography as of December 31, 2022 December 31, 2023.

## Fund Investor Base by Type <sup>(1)</sup>

## Fund Investor Base by Geography <sup>(1)</sup>

968 969

(1) Based on the AUM of our Private Equity, Real Assets and Credit and Liquid Strategies co-investment vehicles, separately managed accounts, Strategies. These charts exclude general partner commitments, assets managed through CLOs, and assets managed by other asset managers with which KKR has formed strategic partnerships where KKR does not hold more than a 50% ownership interest. Allocations are assigned to a type or geographic region according to subscriptions received from a limited partner.

We also offer opportunities to invest in various vehicles, which we refer to as the "K-Series," for individual private wealth investors. These investment opportunities are distributed through third-party managed vehicles sponsored by brokerage firms, banks or third-party feeder providers or to the qualified clients of banks, independent investment advisors and broker-dealers. Unlike our traditional fund structures, these investments do not have fixed termination dates and provide certain limited opportunities for liquidity. We have K-Series vehicles that operate or invest in private equity companies, infrastructure assets, credit investments and real estate. We provide our services pursuant to management agreements with these vehicles, which provide for management and performance fees.

## Insurance

Our insurance business is operated by Global Atlantic, which we KKR acquired a majority controlling interest on February 1, 2021, and which KKR acquired the remaining equity interests in Global Atlantic that KKR did not already own on January 2, 2024. As of December 31, 2022 December 31, 2023, KKR owns a 63.3% economic interest in owned 65.2% of Global Atlantic with the balance of Global Atlantic owned by third-party investors and Global Atlantic employees. Following the Global Atlantic acquisition, Global Atlantic continues to operate as a separate business with its existing brands and management team. Since the first quarter of 2021, we have presented Global Atlantic's financial results as a separate reportable segment.

Global Atlantic is a leading retirement and life insurance company that provides a broad suite of protection, legacy and savings products to customers and reinsurance solutions to clients across individual and institutional markets. Global Atlantic focuses on target markets that it believes support issuing products that have attractive risk and return characteristics. These markets allow Global Atlantic to leverage its strength in distribution and to deploy shareholder capital opportunistically across various market environments.

Global Atlantic primarily offers individual customers fixed-rate annuities, fixed-indexed annuities, and targeted life products primarily through a network of banks, broker-dealers, and insurance agencies. Global Atlantic provides its institutional clients customized reinsurance solutions, including block, flow and pension risk transfer ("PRT") reinsurance, as well as funding agreements. Global Atlantic's assets generally increase when individual markets market sales and reinsurance transactions exceed run-off of in-force policies. Global Atlantic primarily generates income by earning a spread on assets under management, as the difference between its net investment income and the cost of policyholder benefits. Global Atlantic also earns fees paid by policyholders on certain types of contracts and fees paid by third-party investors, which are reported in the asset management segment. As of December 31, 2022 December 31, 2023, Global Atlantic served approximately over three million policyholders.

Global Atlantic operates in the following two complementary markets: individual and institutional.

**Individual Markets.** Global Atlantic seeks to reach individuals in the United States who are planning for, or are already in, retirement. Global Atlantic's annuity products are distributed primarily through a network of distribution partners, including over 200 banks and broker-dealers and over 200 independent marketing organizations. Global Atlantic generated \$9.8 billion \$11.4 billion of sales for the year ended December 31, 2022 December 31, 2023. Global Atlantic believes that distributing products primarily through banks and broker-dealers provides attractive returns and helps maintain a competitive advantage. Global Atlantic's targeted life products are distributed primarily through 181 20 independent marketing organizations and approximately over 1,300 funeral homes.

- **Fixed-Rate and Fixed-Indexed Annuities.** With an annuity product, the policyholder provides Global Atlantic cash, referred to as a premium, in exchange for earning interest on a tax deferred basis and the ability based on the contract terms to take lump sum or periodic withdrawals of their account value. Global Atlantic's annuity products typically also offer a death benefit that guarantees the full account value for the beneficiaries in the event of the death of the policyholder. Fixed-rate annuities offer policyholders tax-deferred savings accumulation and income based on a fixed rate that may be guaranteed for a period of time. Fixed-indexed annuities allow the policyholder to elect strategies where interest is credited based on the performance of a market index. This selection allows the policyholder to participate in the upside performance of the selected index, subject to limits and protection from downside market risks. Global Atlantic primarily generates income from annuity products by earning a spread between net investment income and the cost of providing benefits under the annuity contract.
- **Targeted Life Products.** Global Atlantic's targeted life products primarily consist of indexed universal life and preneed life insurance. With universal life and preneed products, the policyholder provides Global Atlantic with a premium that funds the policyholder's account in exchange for earning interest on the account and a death benefit. A universal life insurance account increases with premium payments from the policyholder and interest credited by Global Atlantic, and decreases based on charges, such as fees payable to Global Atlantic. Effective July 1, 2023, Global Atlantic no longer underwrites new indexed universal life products. Indexed universal life policies allow the policyholder written prior to elect strategies where the interest is credited this date remain in-force. Indexed universal life policies represented approximately 3% of Global Atlantic's individual market sales in 2022, on a portion of their account based on the performance of a market index. This selection allows the policyholder to participate in the upside performance of the selected index, subject to limits and protection from downside market risks, an equivalent basis. With preneed products, the policyholder generally purchases the preneed product along with a contract with a funeral firm home that guarantees the policyholder a pre-planned funeral, funded by proceeds from the preneed policy.



**Institutional Markets.** Global Atlantic provides its institutional clients customized reinsurance solutions to assist them in meeting their strategic, risk management and capital goals. In general, by reinsuring policies, the institutional client reduces or releases capital that it held for the reinsured business and may use such capital for its other business goals. Reinsurance Our institutional solutions include block, flow, and PRT reinsurance, as well as and funding agreements. Global Atlantic's reinsurance solutions are offered through a client coverage effort focused on domestic and international retirement and life companies. Since Global Atlantic's founding, it has closed multiple reinsurance transactions, including block, flow and PRT reinsurance, with 25 29 clients representing a total of \$114.2 billion \$136.2 billion of assets as of December 31, 2022 December 31, 2023. For the year ended December 31, 2022 December 31, 2023, Global Atlantic generated \$8.2 billion \$9.8 billion and \$1.3 billion \$1.5 billion of flow and PRT reinsurance production, respectively. To further scale its institutional markets business, Global Atlantic sponsored sponsors co-investment vehicles Ivy Co-Invest Vehicle LLC and Ivy Co-Invest Vehicle II LLC (together, the "Ivy Entities" (the "sponsored reinsurance sidecar vehicles") in April 2020 and December 2021, respectively, to participate alongside Global Atlantic in certain qualifying reinsurance transactions. Global Atlantic also participates in the funding agreement market, including through membership in Federal Home Loan Banks ("FHLBs") and as a provider of funding agreements in connection with a funding agreement backed notes ("FABN") program established in 2021.

- **Block Reinsurance.** Block reinsurance is a transaction in which an insurance company divests a block of insurance policies to Global Atlantic in exchange for Global Atlantic's obligation to pay a specified portion of future insurance claims arising from that block. Global Atlantic operates in the block reinsurance market by offering solutions to its clients across various sizes of transactions and across multiple product types, including both retirement and life products. In block reinsurance transactions, Global Atlantic's insurance company subsidiaries assume the obligation to pay the policy benefits from the cedant in exchange for a transfer of assets.
- **PRT Transactions.** PRT is a transaction in which a pension plan sponsor, such as a corporation, transfers the risk associated with the pension plan's liabilities to an insurance company. Global Atlantic has historically operated in the PRT market through reinsurance relationships with insurance company clients that directly underwrite and assume corporate pension liabilities. Insurance company subsidiaries of Global Atlantic act as the reinsurer in respect of these PRT transactions, and Global Atlantic's clients are the ceding companies.
- **Flow Reinsurance.** Flow reinsurance is an agreement in which an insurance company writes new retail policies and shares an economic portion of such newly issued policies with an insurance company subsidiary of Global Atlantic, as its reinsurer, on an ongoing basis. Global Atlantic operates in flow reinsurance by partnering with insurance companies that sell retirement products, such as multi-year guaranteed annuities or single premium immediate annuities. Global Atlantic seeks to ensure that its partnerships generate profitable growth, repricing flow reinsurance products as market conditions evolve.
- **Funding Agreements.** Funding agreements, including those issued in connection with a FABN program, are a deposit-type contract issued by Global Atlantic's insurance company subsidiaries. In general, a funding agreement provides its holder with a guaranteed return of principal and periodic interest payments. As of December 31, 2023, Global Atlantic through its insurance company subsidiaries, issued \$2.0 billion had \$4.9 billion of funding agreements in outstanding under the year ended December 31, 2022, in connection with its FABN program, and since the inception of the program has issued \$5.5 billion of FABN-related funding agreements. program.

The following table represents Global Atlantic's new business volumes by business and product for the year years ended December 31, 2023 and December 31, 2022:

|                              | Year Ended December 31, |        |
|------------------------------|-------------------------|--------|
|                              | 2022                    |        |
| (\$ in millions)             |                         |        |
| Individual channel:          |                         |        |
| Fixed-rate annuities         | \$                      | 5,243  |
| Fixed-indexed annuities      |                         | 4,179  |
| Variable annuities           |                         | 42     |
| Total retirement products    | \$                      | 9,464  |
| Life insurance products      | \$                      | 35     |
| Preneed life                 | \$                      | 277    |
| Institutional channel:       |                         |        |
| Block                        | \$                      | 5,737  |
| Flow & pension risk transfer |                         | 9,520  |
| Funding agreements           |                         | 2,000  |
| Total institutional channel  | \$                      | 17,257 |
| Years Ended December 31,     |                         |        |



|                                | 2023 |        | 2022 |        |
|--------------------------------|------|--------|------|--------|
| (\$ in millions)               |      |        |      |        |
| Individual channel:            |      |        |      |        |
| Fixed-rate annuities           | \$   | 7,509  | \$   | 5,243  |
| Fixed-indexed annuities        |      | 3,606  |      | 4,179  |
| Variable annuities             |      | 23     |      | 42     |
| Total retirement products(1)   | \$   | 11,138 | \$   | 9,464  |
| Life insurance products(2)     | \$   | 9      | \$   | 35     |
| Preneed life                   | \$   | 299    | \$   | 277    |
| Institutional channel:         |      |        |      |        |
| Block                          | \$   | 10,854 | \$   | 5,737  |
| Flow & pension risk transfer   |      | 11,258 |      | 9,520  |
| Funding agreements(3)          |      | —      |      | 2,000  |
| Total institutional channel(4) | \$   | 22,112 | \$   | 17,257 |

**Note:** (1) New business volumes in individual markets are referred to as sales. In Global Atlantic's individual market channel, sales of annuities include all money paid into new and existing contracts. Individual market channel sales of traditional life insurance products are based on commissionable premium a commonly used industry sales metric, and individual market channel sales for preneed life are based on the face amount of insurance. Traditional life Life insurance product sales do not include the recurring premiums that policyholders may pay over time.

(2) Effective July 1, 2023, Global Atlantic no longer underwrites new indexed universal life products. Indexed universal life policies written prior to this date remain effective.

(3) Funding agreements new business volumes represent funding agreements issued in connection with the FABN program only.

(4) New business volume volumes from our Global Atlantic's institutional market channel is are based on the assets assumed, net of any ceding commission, and is before gross of any retrocession retrocessions to Ivy Re. a investment vehicles that participate in qualifying reinsurance entity sponsored transactions sourced by Global Atlantic or and to other third-party third party reinsurers.

Global Atlantic seeks to have a diversified set of policy liabilities in order to manage adverse developments across liability types. As of December 31, 2022 December 31, 2023, 47% 44% of its reserves were in its individual market and 53% 56% were in its institutional market.

The table below represents a breakdown of Global Atlantic's policy liabilities by business and product type as of December 31, 2022 December 31, 2023, separated by reserves originated through its individual and institutional markets.

|                                       |                                      | Reserves as of December 31, 2022                     |                                     |               |                |               |                     |                                      |              |    |                   |    |            |
|---------------------------------------|--------------------------------------|------------------------------------------------------|-------------------------------------|---------------|----------------|---------------|---------------------|--------------------------------------|--------------|----|-------------------|----|------------|
|                                       |                                      | Individual market                                    | Institutional market <sup>(5)</sup> | Total         | Ceded          | Total, net    | Percentage of total |                                      |              |    |                   |    |            |
|                                       |                                      | (\$ in thousands, except percentages, if applicable) |                                     |               |                |               |                     |                                      |              |    |                   |    |            |
|                                       |                                      | Reserves as of December 31, 2023                     |                                     |               |                |               |                     |                                      |              |    |                   |    |            |
|                                       |                                      | Individual market                                    |                                     |               |                |               |                     |                                      |              |    | Individual market |    |            |
|                                       |                                      | (\$ in thousands, except percentages, if applicable) |                                     |               |                |               |                     |                                      |              |    |                   |    |            |
| Fixed-rate annuity <sup>(1)</sup>     | Fixed-rate annuity <sup>(1)</sup>    | \$23,224,591                                         | \$45,506,101                        | \$ 68,730,692 | \$(16,695,879) | \$ 52,034,813 | 47.3 %              | Fixed-rate annuity <sup>(1)</sup>    | \$25,133,802 | \$ |                   | \$ | 31,100,000 |
| Fixed-indexed annuity <sup>(1)</sup>  | Fixed-indexed annuity <sup>(1)</sup> | 23,162,003                                           | 8,576,012                           | 31,738,015    | (3,447,344)    | 28,290,671    | 21.8 %              | Fixed-indexed annuity <sup>(1)</sup> | 24,689,469   |    | 10,041,153        |    | 10,000,000 |
| Payout annuities <sup>(1)</sup>       |                                      |                                                      |                                     |               |                |               |                     | Payout annuities <sup>(1)</sup>      | 483,567      |    |                   |    | 19,000,000 |
| Variable annuity                      | Variable annuity                     | 2,528,919                                            | 6,397,759                           | 8,926,678     | (2,724,233)    | 6,202,445     | 6.1 %               | Variable annuity                     | 2,546,586    |    | 5,918,581         |    | 5,000,000  |
| Indexed universal life <sup>(1)</sup> |                                      | 13,623,264                                           | —                                   | 13,623,264    | (135,899)      | 13,487,365    | 9.4 %               |                                      |              |    |                   |    |            |
| Preneed life                          |                                      | 2,858,627                                            | —                                   | 2,858,627     | —              | 2,858,627     | 2.0 %               |                                      |              |    |                   |    |            |

|                                                          |                                     |               |               |                |                 |                |         |                                        |               |           |         |
|----------------------------------------------------------|-------------------------------------|---------------|---------------|----------------|-----------------|----------------|---------|----------------------------------------|---------------|-----------|---------|
| Interest sensitive life <sup>(1)</sup>                   |                                     |               |               |                |                 |                |         | Interest sensitive life <sup>(1)</sup> |               |           |         |
|                                                          |                                     |               |               |                |                 |                |         | 13,680,803                             |               |           |         |
| Other life insurance <sup>(2)</sup>                      |                                     |               |               |                |                 |                |         | 18,                                    |               |           |         |
| Other life insurance <sup>(2)</sup>                      |                                     |               |               |                |                 |                |         |                                        |               |           |         |
| Other life insurance <sup>(2)</sup>                      | Other life insurance <sup>(2)</sup> | 569,030       | 10,307,371    | 10,876,401     | (3,642,589)     | 7,233,812      | 7.5 %   | 3,518,490                              | 272,148       |           | 272,148 |
| Funding agreements <sup>(3)</sup>                        | Funding agreements <sup>(3)</sup>   | 2,104,175     | 5,431,314     | 7,535,489      | —               | 7,535,489      | 5.2 %   | Funding agreements <sup>(3)</sup>      | 2,055,528     | 4,960,470 | 4,      |
| Closed block                                             |                                     | —             | 1,017,632     | 1,017,632      | (970,001)       | 47,631         | 0.7 %   |                                        |               |           |         |
| Other corporate <sup>(4)</sup>                           |                                     | —             | 47,283        | 47,283         | (46,929)        | 354            | — %     |                                        |               |           |         |
| Closed block and other corporate products <sup>(4)</sup> |                                     |               |               |                |                 |                |         |                                        |               |           |         |
| Closed block and other corporate products <sup>(4)</sup> |                                     |               |               |                |                 |                |         |                                        |               |           |         |
| Closed block and other corporate products <sup>(4)</sup> |                                     |               |               |                |                 |                |         | —                                      |               |           |         |
| Closed block and other corporate products <sup>(4)</sup> |                                     |               |               |                |                 |                |         | 1,                                     |               |           |         |
| Total reserves                                           | Total reserves                      | \$ 68,070,609 | \$ 77,283,472 | \$ 145,354,081 | \$ (27,662,874) | \$ 117,691,207 | 100.0 % | Total reserves                         | \$ 72,108,245 | \$        | \$ 92   |
| Total general account                                    | Total general account               | \$65,762,756  | \$75,460,531  | \$141,223,287  | \$(27,662,874)  | \$113,560,413  | 97.2 %  |                                        |               |           |         |
| Total general account                                    |                                     |               |               |                |                 |                |         | \$69,910,599                           |               |           |         |
| Total general account                                    |                                     |               |               |                |                 |                |         | \$ 90,                                 |               |           |         |
| Total separate account                                   | Total separate account              | 2,307,853     | 1,822,941     | 4,130,794      | —               | 4,130,794      | 2.8 %   | Total separate account                 | 2,197,646     | 1,909,354 | 1,      |
| Total reserves                                           | Total reserves                      | \$ 68,070,609 | \$ 77,283,472 | \$ 145,354,081 | \$ (27,662,874) | \$ 117,691,207 | 100.0 % | Total reserves                         | \$ 72,108,245 | \$        | \$ 92   |

- (1) As of December 31, 2022 December 31, 2023, 73% 78% of the account value in Global Atlantic's general account associated with its fixed-rate and fixed-annuity products, and 44% 39% of account value in its general account associated with universal life products was protected by surrender charges.
- (2) "Other life products" includes universal life, term and whole life insurance products.
- (3) "Funding agreements" includes funding agreements associated with Federal Home Loan Bank borrowings and under Global Atlantic's funding-agreement backed-notes program . program .
- (4) "Other corporate" primarily includes accident & health reserves that Global Atlantic assumed as part of a reinsurance transaction in 2009.
- (5) Institutional market reserves are sourced using customized reinsurance solutions such as block, flow and PRT. As of December 31, 2022 December 31, 2023, reserves sourced through for block, flow and PRT transactions were \$51.1 billion \$57.7 billion, \$12.6 billion, \$20.8 billion, and \$5.1 billion, \$5.7 billion, respectively.

## Significant Reinsurance Transactions

On May 25, 2023, Global Atlantic signed a transaction agreement committing to reinsure, as of the signing date, \$19.2 billion of legacy annuity and life policies (including \$5.0 billion of separate account liabilities). The transaction closed on November 16, 2023.

On December 11, 2023, Global Atlantic signed a transaction agreement committing it to reinsure, as of the signing date, \$10 billion of life, annuity, and long-term care policies. Global Atlantic is retro-ceding the long-term care insurance risk to a third-party reinsurer. The transaction closed on February 22, 2024.

## Underwriting and pricing

Global Atlantic's underwriting and pricing functions have dedicated teams, who are supported by multiple corporate functions, including actuarial, finance, operations, compliance, investments and risk. These functions have guidelines and procedures designed to assess and quantify the risks of each product type originated through its individual or institutional markets.

Global Atlantic's proprietary technology platform incorporates analytic models with customized third-party software and database technology, allowing Global Atlantic to dynamically analyze its asset and liability cash flow profile across a range of market and policyholder behavior scenarios. This proprietary platform allows Global Atlantic to integrate investment allocation decisions with product pricing, so that the terms of the liabilities it originates reflect its view of the investment environment. The committees responsible for underwriting and pricing are also aligned with other business functions and include representatives from actuarial, finance, operations, investments, risk and sales.

Global Atlantic also performs suitability reviews for new annuity sales. For sales through banks and broker-dealers, Global Atlantic generally delegates suitability reviews to these distribution partners.

When pricing reinsurance transactions in the institutional market, Global Atlantic performs asset and liability modeling of the block of business to be reinsured and typically re-underwrites the liability assumptions on the block using then-current market conditions, actuarial experience provided by the ceding company and its own experience from business Global Atlantic has originated. Reinsured blocks of business are integrated into Global Atlantic's technology and infrastructure systems and monitored in the same manner used across the broader business, combining input from actuarial, risk, investment management and other functions.

## Investment management

Global Atlantic has an excellent track record of generating strong investment results, and since February 2021 KKR has been the investment manager of Global Atlantic's assets. Global Atlantic believes that KKR's investment expertise, broad range of investment management services and strong origination capabilities are key to maintaining Global Atlantic's successful track record of identifying assets that are well-suited to the stable and long-dated nature of Global Atlantic's insurance liabilities.

Global Atlantic seeks to focus on investments that have the potential to generate stable, predictable, long-dated asset cash flows, are of high credit quality, and that focus on capital protection. These kinds of investments have historically consisted of corporate debt, asset-backed finance, specialty finance, transportation finance, securitizations, private loan facilities, and commercial and residential real estate investment opportunities. However, Global Atlantic's investments are not limited to solely those asset classes.

Supplementing KKR's role as an investment advisor, Global Atlantic has retained in-house certain investment origination and allocation functions with expertise in consideration of insurance company asset portfolios. These considerations include asset-liability matching, asset allocation, ongoing portfolio management and new business pricing across both Global Atlantic's individual and institutional markets. Global Atlantic believes that matching asset and liability cash flows is key to protecting policyholders and achieving its target returns. Global Atlantic's investment origination and allocation functions are closely integrated with its risk management team, and a group of its risk management professionals is dedicated to supporting investment decision-making. Global Atlantic uses a proprietary risk platform to develop a comprehensive view of the expected cash flow profile of its liabilities and determine the optimal profile of its asset cash flows. Global Atlantic is also capable of developing a bottoms-up view of the cash flows of investments that it considers. These processes help to identify the investments that offer a cash flow profile that is consistent with Global Atlantic's risk tolerances.

Working within Global Atlantic's cash flow matching framework as well as its regulatory and rating agency requirements, Global Atlantic has a flexible investment mandate, which allows it to pursue asset classes and investment types that it believes offer the best risk-adjusted returns. Global Atlantic believes that the integration of the analytics around its assets and liabilities and its flexible investment mandate enable Global Atlantic to respond dynamically to market conditions and make investment decisions that maximize risk adjusted returns while still protecting Global Atlantic's policyholders.

As of **December 31, 2022** **December 31, 2023**, Global Atlantic's investment portfolio was comprised of the following:

|                                                              |                                                              | December 31, 2022 |                  |
|--------------------------------------------------------------|--------------------------------------------------------------|-------------------|------------------|
|                                                              |                                                              | December 31, 2023 |                  |
|                                                              |                                                              | December 31, 2023 |                  |
|                                                              |                                                              | December 31, 2023 |                  |
| (\$ in thousands, except percentages)                        |                                                              |                   |                  |
| (\$ in thousands, except percentages)                        |                                                              |                   |                  |
| (\$ in thousands, except percentages)                        | (\$ in thousands, except percentages)                        | Carrying value    | Percent of total |
| Fixed maturity securities, available-for-sale, at fair value | Fixed maturity securities, available-for-sale, at fair value | \$ 61,939,529     | 49.9 %           |
| Fixed maturity securities, available-for-sale, at fair value |                                                              |                   |                  |
| Fixed maturity securities, available-for-sale, at fair value |                                                              |                   |                  |
| Mortgage and other loan receivables                          |                                                              |                   |                  |
| Mortgage and other loan receivables                          |                                                              |                   |                  |
| Mortgage and other loan receivables                          | Mortgage and other loan receivables                          | 35,090,698        | 28.2 %           |
| Fixed maturity securities, trading, at fair value            | Fixed maturity securities, trading, at fair value            | 12,038,847        | 9.7 %            |
| Fixed maturity securities, trading, at fair value            |                                                              |                   |                  |
| Fixed maturity securities, trading, at fair value            |                                                              |                   |                  |
| Other investments                                            |                                                              |                   |                  |
| Other investments                                            |                                                              |                   |                  |
| Other investments                                            | Other investments                                            | 11,374,656        | 9.2 %            |
| Funds withheld receivable at interest                        | Funds withheld receivable at interest                        | 2,868,036         | 2.3 %            |

|                                       |                                 |                       |              |          |
|---------------------------------------|---------------------------------|-----------------------|--------------|----------|
| Funds withheld receivable at interest |                                 |                       |              |          |
| Funds withheld receivable at interest |                                 |                       |              |          |
| Policy loans                          |                                 |                       |              |          |
| Policy loans                          |                                 |                       |              |          |
| Policy loans                          | Policy loans                    | 868,911               | 0.7          | %        |
| Equity securities at fair value       | Equity securities at fair value | 18,499                | —            | %        |
| Equity securities at fair value       |                                 |                       |              |          |
| Equity securities at fair value       |                                 |                       |              |          |
| <b>Total investments</b>              | <b>Total investments</b>        | <b>\$ 124,199,176</b> | <b>100.0</b> | <b>%</b> |
| Total investments                     |                                 |                       |              |          |
| Total investments                     |                                 |                       |              |          |

Capital

Capital strength allows insurance companies to meet their future policyholder obligations and to support the growth of their businesses. Global Atlantic believes it has built a strong financial foundation to meet these objectives. Global Atlantic is well capitalized, and its capital position, combined with annual capital generation from its in-force book of business and third-party capital, helps it to fund new business volume growth. Global Atlantic takes a responsible and flexible capital approach to allocating capital to where it believes is the most attractive alternative available. Global Atlantic manages its capital and liquidity position with the objective of maintaining sufficient capital and liquidity to be able to capture investment opportunities as they arise and meet policyholder obligations, even in times of foreseeable stress.

The financial strength of Global Atlantic's life insurance operating subsidiaries is recognized by several ratings agencies. The financial strength ratings of these subsidiaries are "A" with a stable outlook from A.M. Best Company, Inc. ("A.M. Best"), "A2" with a stable outlook from Moody's Investors Service, Inc. ("Moody's"), "A-" with a positive outlook from S&P Global Ratings ("S&P"), and "A" with a stable outlook from Fitch Ratings, [Inc Inc](#). ("Fitch").

Global Atlantic also sponsors third-party co-investment vehicles [the Ivy Entities, established](#) to participate alongside Global Atlantic in qualifying reinsurance opportunities. [As of the third quarter of 2021, Ivy Co-Invest Vehicle LLC had fully deployed \\$1 billion of total available capital. In December 2021, Global Atlantic established Ivy Co-Invest Vehicle II LLC to These sponsored reinsurance sidecar vehicles provide additional third-party capital to support ongoing demand for reinsurance opportunities. transactions and are not consolidated into our financial statements. As of December 31, 2023, third parties have committed capital to the sponsored reinsurance sidecar vehicles of approximately \\$3.3 billion, of which \\$2.2 billion has been deployed.](#)

Competition

Our asset management business competes with other investment managers for both fund investors and investment opportunities. The firm's competitors consist primarily of sponsors of public and private investment funds, real estate development companies, BDCs, investment banks, commercial finance companies and operating companies acting as strategic buyers. We believe that competition for fund investors is based primarily on investment performance, investor liquidity and willingness to invest, investor perception of investment managers' drive, focus and alignment of interest, business reputation, duration of relationships, quality of services, pricing, fund terms including fees, and the relative attractiveness of the types of investments that have been or are to be made. We believe that competition for investment opportunities is based primarily on the pricing, terms and structure of a proposed investment and certainty of execution. In addition to these traditional competitors within the global investment management industry, we also face competition from local and regional firms, financial institutions and sovereign wealth funds in the various countries in which we invest. In certain emerging markets, local firms may have more established relationships with the companies in which we are attempting to invest. These competitors often fall into one of the aforementioned categories but in some cases may represent new types of fund investors, including high net worth individuals, family offices and state-sponsored entities.

There are numerous funds focused on private equity, real assets, credit and hedge fund strategies that compete for investor capital. Fund managers have also increasingly adopted investment strategies outside of their traditional focus. For example, funds focused on credit and equity strategies have become active in taking control positions in companies, while private equity funds have acquired minority equity or debt positions in publicly listed companies. This convergence heighten competition for investments. Furthermore, as institutional fund investors increasingly consolidate their relationships for multiple investment products with a few investment firms, competition for capital from such institutional fund investors may become more acute. However, such consolidation may also lead institutional fund investors to prefer more established investment firms, which could help us to compete against newer entrants or investment firms that are smaller in size or offer more limited types of investment strategies.

Some of the entities that we compete with as an investment firm may have greater financial, technical, marketing and other resources and more personnel than us and, in the case of some asset classes, longer operating histories, more established relationships or greater experience. Several of our competitors also have raised, or may raise, significant amounts of capital and have investment objectives that are similar to the investment objectives of our funds, which may create additional competition for investment opportunities. Some of these competitors may also have lower costs of capital and access to funding sources that are not available to us, which may create competitive advantages for them. In addition, some of these competitors may have higher risk tolerances, different risk assessments or lower return thresholds, which could allow them to consider a wider range of investments and to bid more aggressively than us for investments. Strategic buyers may also be able to achieve synergistic cost savings or revenue enhancements with respect to a targeted portfolio company, which may provide them with a competitive advantage in bidding for such investments.

Our capital markets business competes primarily with investment banks and independent broker-dealers in North America, Europe, Asia-Pacific and the Middle East. We principally focus our capital markets activities on the firm, our portfolio companies and fund investors, but we also seek to service other third parties. While we generally target customers with whom we have existing relationships, those customers may have similar relationships with the firm's competitors, many of whom will have access to competing securities transactions, greater financial, technical or marketing resources or more established reputations than us.

Global Atlantic operates in highly competitive markets. Within individual markets, Global Atlantic faces a variety of large and small industry participants. Large, established insurers often operate with the benefit of well-known brands, entrenched distribution relationships or proprietary distribution. The insurance industry has also seen an influx of new entrants, particularly in retirement products, who may be able to price new business aggressively, with a higher investment risk tolerance, seeking to gain market share or increase assets under management. All of these companies compete for individual markets sales. Global Atlantic's flow reinsurance business may also be impacted by competition among insurers in individual markets. The competitiveness of Global Atlantic's product offerings will depend on the actions of its competitors and Global Atlantic's ability to actively manage its product offerings. In institutional markets, there have been many block reinsurance transactions as many insurers continue to reevaluate their commitment to business lines and seek reinsurance solutions as a way to de-emphasize or divest non-core businesses, reduce risk, seek capital relief or improve profitability. The block reinsurance and pension risk transfer markets are also experiencing competition due to new entrants, including entrants based outside of the United States. Increased competition may make it more difficult for Global Atlantic to identify transactions with terms that are commercially acceptable based on its risk tolerance and target return objectives. Increased competition may also increase regulatory scrutiny of individual or institutional markets activity.

Competition is also intense for the attraction and retention of qualified employees and consultants. Our ability to continue to compete effectively in our businesses will depend upon our ability to attract new investment professionals, other employees and consultants and retain and motivate our existing investment professionals, other employees and consultants. We are also impacted by Global Atlantic's ability to attract and retain insurance professionals in the United States and Bermuda, including wholesalers, actuaries, risk management professionals and agents.

Human Capital

We believe our people are the key to our success and are what sets our firm apart. We strive to create a workplace environment where employees thrive both professionally and personally. At KKR, our philosophy is to ensure we manage our investments in people – our human capital – as rigorously and effectively as we do our financial capital. Our key focuses include driving exceptional performance and enhancing our firm culture.

Our primary goal in human capital management is to attract, develop and retain talent at KKR by providing meaningful and well-understood careers for our people. We therefore focus on employee training and professional development. Where appropriate, we offer workshops, mentoring and executive coaching to supplement on-the-job experiences and ongoing feedback and coaching to maximize performance. In addition, fostering a culture of physical, mental, and emotional health and wellness is a priority for KKR, and we offer tools and resources to our employees so they can make informed health care decisions for themselves and their families.

We seek to have a well-rounded, inclusive workplace — one that is reflective of our shareholders, fund investors, Global Atlantic's policyholders, the clients and other stakeholders with whom we collaborate, and the communities in which we live and conduct our business. In 2014, KKR established the Inclusion & Diversity Council (the "IDC"), a committee led by senior leaders to seek to ensure that KKR is an entrepreneurial, vibrant, and innovative organization that values diverse teams and varied perspectives, lifestyles and backgrounds. The IDC's goal is to attract, develop, and retain the best possible talent, actively work to make KKR a more diverse and inclusive workplace with increased representation among women and underrepresented demographic groups, and improve mentoring opportunities firm-wide.

As of December 31, 2022 December 31, 2023, we employed approximately 4,150 4,490 people worldwide:

|                                                            |             |
|------------------------------------------------------------|-------------|
| Asset Management Investment Professionals and KKR Capstone | 828 791     |
| Other Asset Management Employees                           | 1,814 1,944 |
| Total Asset Management Employees                           | 2,642 2,735 |
| Global Atlantic Professionals and Employees                | 1,383 1,553 |
| Other <sup>(1)</sup>                                       | 125 202     |
| Total Employees                                            | 4,150 4,490 |

(1) "Other" includes employees of companies in which we own a majority of the common equity, who are not directly managed by KKR or Global Atlantic. This category does not include Senior Advisors and Other Advisors.

Asset Management Investment Professionals and KKR Capstone

Our investment professionals come from diverse professional backgrounds in private equity, real assets, credit and other asset classes and include executives employees with operations, strategic consulting, risk management, liability management and finance experience. As a group, these professionals provide us with a strong global team for identifying attractive investment opportunities, creating value and generating superior returns.

We have developed an institutionalized process for creating value in investments. As part of our effort, we utilize a team of operating professionals at KKR Capstone, who work exclusively with our investment professionals and portfolio company management teams or our designees. With professionals in North America, Europe and the Asia-Pacific, KKR Capstone provides additional expertise for assessing investment opportunities and assisting managers of portfolio companies in defining strategic priorities and implementing operational changes.

## Other Asset Management Employees

Our other asset management employees come from diverse professional backgrounds in capital markets, operations, economics, capital raising, client services, public affairs, finance, tax, legal, compliance, risk management, human capital, and information technology. As a group, these professionals provide us with a strong team for overseeing investments and performing capital markets activities, servicing our existing fund investors and creating relationships with new fund investors globally. Additionally, a majority of these other professionals are responsible for supporting the global infrastructure of KKR.

## Global Atlantic Professionals and Employees

Global Atlantic employs professionals with diverse professional backgrounds in the insurance industry, including individual channel sales, reinsurance, investment origination and allocation, risk management, actuarial and support functions. Global Atlantic's employees seek to provide attractive products for Global Atlantic's policyholders, solutions for its clients and risk-adjusted returns for its investors.

## Senior Advisors and Other Advisors

To complement the expertise of our investment professionals, we have a team of senior advisors and other advisors. While not KKR employees, they provide us with additional operational and strategic insights. The responsibilities of these advisors include serving on the boards of our portfolio companies, helping us source and evaluate individual investment opportunities and assisting portfolio companies with operational matters. These individuals include current and former chief executive officers, chief financial officers and chairpersons of major corporations and others holding leading positions of public agencies worldwide.

## Responsible Investment Management

In our experience, thoughtfully approaching incorporating business-relevant environmental, social and governance ("ESG") ("ESG"), regulatory, public policy and geopolitical issues in our investment process has the potential to can help us both create and protect value and reduce risk in our investments and to generate strong returns for our clients and investors. In 2021, we established a dedicated ESG committee comprised of senior employees to help advance a globally coordinated approach to responsible investing at KKR. In addition, our senior employees periodically report on various ESG-related activities, including compliance with applicable ESG legislation, to our Audit Committee.

Where appropriate, we seek to incorporate business-relevant ESG, regulatory geopolitical, and reputational geopolitical considerations into our investment decision-making and investment management practices, globally across asset classes, with a focus on creating and protecting value for our portfolio companies, companies and assets. This generally includes considering key business-relevant risks and opportunities identified during the diligence process and taking those considerations into account, alongside other business issues, when making an investment decision. This also includes, where applicable, during engaging on these issues with our ownership of the portfolio company, investments.

KKR has been publicly committed to responsible investment since Kohlberg Kravis Roberts & Co L.P. became a signatory of the UN-supported Principles for Responsible Investment ("PRI") in 2009. We believe that we have a history of innovation and progress when it comes to thoughtfully integrating and managing sustainability-related issues in a manner that is designed to manage risk and create value.

KKR generally takes a portfolio company-specific approach to ESG-focused diligence and engagement, where we endeavor to understand focus on business-relevant topics that KKR and the risks company or asset determine are most significant for protecting and opportunities that are relevant to a particular portfolio company for short- and long-term value creation and value protection, maximizing value. When conducting our investment due diligence, we rely upon our experience and also look to the topics and industry-specific issues identified by the Sustainability Accounting Standards Board ("SASB") standards Standards as a primary an input when identifying business-relevant ESG issues that may be relevant issues.

To support the implementation of this work across asset classes, we assign members of our sustainable investing team who have asset-specific experience to support our investment teams, who are ultimately responsible for identifying, assessing, and managing business-relevant ESG-related risks and opportunities where applicable throughout the investment, investment process.

We are also committed strive to advancing advance the transparency of our sustainability practices. KKR has a Responsible Investment Policy that describes our ESG integration and management processes, which is publicly available. We also periodically publish sustainability related reports, including our an annual Sustainability Report, which is aligned we sought to align with the applicable SASB standards and the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").

We strive to have consistent and thoughtful responsible investment processes, including through our work with industry leading organizations as well as other stakeholders.

In 2021, Global Atlantic formalized its ESG efforts, preparing its first annual ESG report and its Responsible Investment Statement. Working with KKR as its investment advisor, Global Atlantic also includes the consideration of ESG factors in its investments, where appropriate.

## Organizational Structure

### Current Structure

The following simplified diagram, which excludes multiple legal entities, illustrates our organizational structure as of February 27, 2023 February 29, 2024.

- (1) KKR Management LLP, which is owned by senior KKR employees, is the sole holder of Series I preferred stock of KKR & Co. Inc. The Series I preferred stock will be redeemed and cancelled, and KKR & Co. Inc.'s common stock will become vested with all common voting powers on a one vote per share basis, on the "Sunset Date" (which will be no later than December 31, 2026 as provided in the Reorganization Agreement); see "Certain Relationships and Related Transactions, and Director Independence" in this report.
- (2) Carried interest earned from our investment funds is allocated to **KKR Associates Holdings L.P.**, which we refer to as the carry pool, from which carried interest that is earned from our investment funds is allocable to our employees and other persons. This entity and the carry pool are not reflected in the organizational structure chart. **In February 2021, upon receipt of the approval of a committee representing a majority of our independent directors, we amended See "Part III—Item 11—Executive Compensation" and "Part II. Item 7. Management's Discussion and Analysis—Critical Accounting Policies and Estimates—Asset Management—Expenses—Compensation and Benefits" in this report for further detail on the percentage of carried interest that is allocable to the carry pool to 65% for the then recently formed funds and future funds, while for older funds, it remains 40% or 43%, as applicable pool.** A wholly-owned subsidiary of KKR & Co. Inc. will become the general partner of **KKR Associates Holdings L.P.** and thereby acquire control of the carry pool on the "Sunset Date" (which will be no later than December 31, 2026 as provided in the Reorganization Agreement; see "Certain Relationships and Related Transactions, and Director Independence" in this **report. report**).
- (3) Includes Kohlberg Kravis Roberts & Co. L.P., the SEC-registered investment adviser, which in turn is the parent company of KKR's other principal investment management **subsidiaries, including KKR Credit Advisors (US) LLC, KKR Credit Advisors (Ireland) Unlimited Company, KKR Credit Advisors (Singapore) Pte. Ltd., and KKR Alternative Investment Management Unlimited Company.** Kohlberg Kravis Roberts & Co. L.P. is also the parent company of **KKR Capital Markets Holdings L.P., the holding company for KKR Capital Markets LLC, and KKR Capstone Holdings LLC, the holding company for KKR Capstone entities, broker-dealer subsidiaries.** See "—Regulation" for further detail on **our investment management these** subsidiaries.
- (4) Includes KKR Financial Holdings LLC and KKR Group Finance Co. Holdings Limited, which owns the issuers of KKR's outstanding senior notes.
- (5) **KKR holds all the voting rights and On January 2, 2024, Global Atlantic became a 63.3% economic interest in Global Atlantic, wholly-owned subsidiary of KKR.**

## Regulation

Our operations are subject to regulation and supervision in a number of jurisdictions. The level of regulation and supervision to which we are subject varies from jurisdiction to jurisdiction and is based on the type of business activity involved. We, in conjunction with our outside advisors and counsel, seek to manage our business and operations in compliance with such regulation and supervision. The regulatory and legal requirements that apply to our activities are subject to change from time to time and may become more restrictive, which may make compliance with applicable requirements more difficult or expensive or otherwise restrict our ability to conduct our business activities in the manner in which they are now conducted. Changes in applicable regulatory and legal requirements, including changes in their enforcement, could materially and adversely affect our business and our financial condition and results of operations. As a matter of public policy, the regulatory bodies that regulate our business activities are generally responsible for safeguarding the integrity of the securities, insurance and financial markets and protecting fund investors and policyholders who participate in those markets rather than protecting the interests of our stockholders. For further information regarding potential risks relating to these and other regulatory and legal requirements that could significantly affect our business, see the "Risk Factors" section of this report, including "—Risks Related to Our Business—Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect **our business. KKR.**"

### United States

#### *Regulation as an Investment Adviser*

We conduct our advisory business through our investment adviser subsidiaries, including Kohlberg Kravis Roberts & Co. L.P. and its wholly-owned subsidiaries, KKR Credit Advisors (US) LLC, KKR Registered Advisor LLC and KKR Credit Advisors (Singapore) Pte. Ltd., each of which is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940 (the "Investment Advisers Act"). We also jointly own with a third party FS/KKR Advisor, LLC, which is an investment adviser registered with the SEC under the Investment Advisers Act. In addition, we own a majority of Global Atlantic's investment adviser, Global Atlantic Investment Advisors, LLC, which is another investment adviser registered with the SEC under the Investment Advisers Act. The investment advisers are subject to, among other Investment Advisers Act provisions, the anti-fraud provisions of the Investment Advisers Act and to fiduciary duties derived from these provisions, which apply to our relationships with our advisory clients globally, including funds that we manage. These provisions and duties impose restrictions and obligations on us with respect to our dealings with our fund investors and our investments, including for example restrictions on agency cross and principal transactions. Our registered investment advisers are subject to periodic SEC examinations and other requirements under the Investment Advisers Act and related regulations primarily intended to benefit advisory clients. These additional requirements relate, among other things, to maintaining an effective and comprehensive compliance program, record-keeping and reporting requirements and disclosure requirements. The Investment Advisers Act generally grants the SEC broad administrative powers, including the power to limit or restrict an investment adviser from conducting advisory activities in the event it fails to comply with federal securities laws. Additional sanctions that may be imposed for failure to comply with applicable requirements include the prohibition of individuals from associating with an investment adviser, the revocation of registrations and other censures and fines.

KKR Credit Advisors (US) LLC, KKR Registered Advisor LLC and Kohlberg Kravis Roberts & Co. L.P. are also subject to regulation as investment advisers to RICs under the Investment Company Act. Each of KKR Income Opportunities Fund, KKR Credit Opportunities Portfolio and KKR Real Estate Select Trust **Inc.** is a closed-end RIC. The Investment Company Act and the rules thereunder, among other things, regulate the relationship between a registered investment company and its investment adviser and prohibit or restrict principal transactions and joint transactions. FS/KKR Advisor serves as investment adviser to FS KKR Capital Corp., **and KKR FS Income Trust,** which **is are** subject to regulations applicable to BDCs under the Investment Company Act, including portfolio construction requirements and limitations on transactions with affiliates. Certain subsidiaries of Kohlberg Kravis Roberts & Co. L.P. also serve as investment advisers to publicly listed companies, including KKR Real Estate Finance Trust and Crescent Energy.

#### *Regulation as a Broker-Dealer*



KKR Capital Markets, LLC, one of our subsidiaries, is registered as a broker-dealer with the SEC under the Exchange Act and in all 50 U.S. States and U.S. territories, and is a member of the FINRA. Global Atlantic's distribution of insurance products that are regulated as securities is conducted by Global Atlantic Distributors, LLC, which is also registered as a broker-dealer with the SEC under the Exchange Act and in all 50 U.S. States and U.S. territories, and is also a member of the FINRA. As registered broker-dealers, KKR Capital Markets, LLC and Global Atlantic Distributors, LLC are subject to periodic SEC and FINRA examinations and reviews. A broker-dealer is subject to legal requirements covering all aspects of its securities business, including sales and trading practices, public and private securities offerings, the suitability of investments, use and safekeeping of customers' funds and securities, capital structure, record-keeping and retention and the conduct and qualifications of directors, officers, employees and other associated persons. These requirements include the SEC's "uniform net capital rule," which specifies the minimum level of net capital that a broker-dealer must maintain, requires a significant part of the broker-dealer's assets to be kept in relatively liquid form, imposes certain requirements that may have the effect of prohibiting a broker-dealer from distributing or withdrawing its capital and subjects any distributions or withdrawals of capital by a broker-dealer to notice requirements. These and other requirements also include rules that limit a broker-dealer's ratio of subordinated debt to equity in its regulatory capital composition, constrain a broker-dealer's ability to expand its business under certain circumstances and impose additional requirements when the broker-dealer participates in securities offerings of affiliated entities. Violations of these requirements may result in censures, fines, the issuance of cease-and-desist orders, revocation of licenses or registrations, the suspension or expulsion from the securities industry of the broker-dealer or its officers or employees or other similar consequences by regulatory bodies.

#### Insurance Regulation

Global Atlantic's U.S. insurance subsidiaries are subject to regulation and supervision under U.S. federal and state laws. Each U.S. state, the District of Columbia and U.S. territories and possessions have insurance laws that apply to companies licensed to carry on an insurance business in the applicable jurisdiction. The primary regulator of an insurance company, however, is located in the insurance company's state of domicile. Both Commonwealth Annuity and Life Insurance Company ("CwA") and First Allmerica Financial Life Insurance Company ("FAFLIC") are organized and domiciled in the Commonwealth of Massachusetts; Accordia Life and Annuity Company ("Accordia") is organized and domiciled in the State of Iowa; and Forethought Life Insurance Company ("FLIC") is organized and domiciled in the State of Indiana (together, these four companies constitute Global Atlantic's U.S. insurance subsidiaries). Additionally, 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.

State insurance authorities have broad administrative powers over each of Global Atlantic's U.S. insurance subsidiaries with respect to all aspects of the insurance business. Insurance subsidiaries must prepare financial statements on regulatory capital in accordance with statutory financial accounting, must report on their risk management and corporate governance and must receive regulatory approval for certain transactions, including transactions with affiliates. As part of their routine regulatory oversight process, state insurance departments conduct periodic detailed examinations of the books, records, accounts and operations of insurance companies that are domiciled in their states. Examinations are generally carried out in cooperation with the insurance departments of other, non-domiciliary states under guidelines promulgated by the National Association of Insurance Commissioners (the "NAIC"). State insurance departments also regularly conduct regulatory inquiries of the insurance companies licensed in their states.

Global Atlantic We also has special purpose financial captive insurance company subsidiaries domiciled in Vermont and Iowa that provide reinsurance to Accordia in order to facilitate the financing of redundant reserve requirements associated with the application of the NAIC Model Regulation entitled "Valuation of Life Insurance Policies Model Regulation" ("Regulation XXX") and NAIC Actuarial Guideline XXXVIII ("AG38"). The application of both Regulation XXX and AG38 requires Global Atlantic to maintain statutory reserves which may be in excess of reserves required under GAAP.

The rates, policy terms, and conditions of reinsurance agreements generally are not subject to regulation by any regulatory authority. However, the ability of a primary insurer to take credit for the reinsurance purchased from reinsurance companies is a significant component of reinsurance regulation. Typically, a primary insurer will only enter into a reinsurance agreement if it can obtain credit against its reserves on its statutory basis financial statements for the reinsurance ceded to the reinsurer.

#### Global Atlantic's

Our U.S. insurance subsidiaries are subject to restrictions on the payment of dividends. Any proposed dividend in excess of the amount permitted by law is considered an "extraordinary dividend or distribution" and may not be paid until it has been approved, or a 30-day waiting period has passed during which it has not been disapproved, by the commissioner of the applicable domiciliary state of the U.S. insurance subsidiary. None of Global Atlantic's special purpose financial captive insurance company subsidiaries may declare or pay dividends or distributions in any form to us other than in accordance with its transaction agreements and governing licensing order.

State insurance holding company laws and regulations generally provide that no person, corporation or other entity may acquire control of an insurance company, or a controlling interest in any parent company of an insurance company, without the prior approval of such insurance company's domiciliary state insurance regulator. Under the laws of each of Global Atlantic's U.S. insurance subsidiaries' domiciliary states, acquiring, directly or indirectly, 10% or more of the voting securities of an insurance company or its parent company is presumptively considered to have acquired control of the insurer, although such presumption may be rebutted by a showing that control does not in fact exist.

Finally, while the United States federal government in most contexts currently does not directly regulate the insurance business, the Federal Insurance Office (the "FIO") established by the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") now has an oversight role in respect to insurance regulation.

#### Ireland

We have a number of subsidiaries which are authorized and regulated by the CBI. The CBI is responsible for, among other things, regulating and supervising firms that provide financial services in Ireland, including broker-dealers and investment firms. The CBI also develops and maintains regulatory policies for Ireland's financial services sector. The CBI has the authority to approve applications from financial services providers in Ireland, monitor compliance with its standards, and take enforcement action for non-compliance. Violation of the CBI's requirements may result in administrative sanctions; investigations; refusal, revocation or cancellation of authorization or registrations; criminal prosecution; and/or reports to other agencies.

KKR Alternative Investment Management Unlimited Company, KKR Credit Advisors (Ireland) Unlimited Company and KKR Capital Markets (Ireland) Limited Company are regulated by the CBI. KKR Alternative Investment Management Unlimited Company is an authorized European Union ("EU") alternative investment manager permitted to conduct



portfolio management, risk management and certain administrative activities. KKR Credit Advisors (Ireland) Unlimited Company is authorized to carry out a number of regulated activities under the Markets in Financial Instruments Directive ("MiFID"), including receiving and transmitting orders, portfolio management and providing investment advice. KKR Credit Advisors (Ireland) Unlimited Company is also subject to limited regulatory supervision in Germany through KKR Credit Advisors Ireland **Germany Frankfurt** Branch, France through KKR Credit Advisors Ireland Paris Branch, and Denmark through KKR Credit Advisors Ireland **Denmark Copenhagen** Branch, where these entities operate under the MiFID Freedom of Establishment rules. KKR Capital Markets (Ireland) Limited Company is authorized to engage in a number of regulated activities regulated under MiFID, including dealing as principal or agent, making arrangements in relation to certain types of specified investments, and arranging the safeguarding and administration of assets. KKR Capital Markets (Ireland) Limited also benefits from a passport under the single market directives to offer services cross border into all countries in the European Economic Area.

## United Kingdom

We have several subsidiaries which are authorized and regulated by the FCA under the Financial Services and Markets Act 2000 ("FSMA"). FSMA and related rules govern most aspects of investment business, including investment management, sales, research and trading practices, provision of investment advice, corporate finance, use and safekeeping of client funds and securities, regulatory capital, record-keeping, margin practices and procedures, approval standards for individuals, anti-money laundering, periodic reporting and settlement procedures. The FCA is responsible for administering these requirements and our compliance with the FSMA and related rules. Violations of these requirements may result in censures, fines, imposition of additional requirements, injunctions, restitution orders, revocation or modification of permissions or registrations, the suspension or expulsion from certain "controlled functions" within the financial services industry of officers or employees performing such functions or other similar consequences.

KKR Capital Markets Partners LLP has permission to engage in a number of regulated activities regulated under FSMA, including dealing as principal or agent and arranging deals in relation to certain types of specified investments and arranging the safeguarding and administration of assets. Kohlberg Kravis Roberts & Co. Partners LLP has permission to engage in a number of regulated activities including advising on and arranging deals relating to corporate finance business in relation to certain types of specified investments. KKR Credit Advisors (EMEA) LLP has permission to engage in a number of regulated activities including managing, advising on and arranging deals in relation to certain types of specified investments.

## Bermuda

**Global Atlantic's Our insurance** subsidiaries organized in Bermuda, Global Atlantic Re and Global Atlantic Assurance, and Global Atlantic sponsored co-investment vehicles are subject to regulation and supervision by the Bermuda Monetary Authority ("BMA") and compliance with all applicable Bermuda laws and Bermuda insurance statutes and regulations, including but not limited to the Bermuda Insurance Act. The Bermuda Insurance Act grants to the BMA powers to supervise, investigate and intervene in the affairs of insurance companies and to approve any change of controllers. The Bermuda Insurance Act imposes solvency, capital and liquidity standards and auditing and reporting requirements on Bermuda insurance companies. The Bermuda Insurance Act prohibits our Bermuda insurance subsidiaries from declaring or paying any dividends during any financial year unless certain financial conditions are met or prior approval from the BMA is received. A Bermuda licensed insurer is required to maintain a sufficiently staffed principal office in Bermuda.

## Other Jurisdictions

Certain other subsidiaries or funds that we advise are registered with, have been licensed by or have obtained authorizations to operate in their respective jurisdictions outside of the United States. These registrations, licenses or authorizations relate to providing investment advice, broker-dealer activities, marketing of securities and other regulated activities. Failure to comply with the laws and regulations governing these subsidiaries and funds that have been registered, licensed or authorized could expose us to liability and/or damage our reputation.

In Europe, we operate in accordance with the EU Alternative Investment Fund Managers Directive (the "AIFMD"), which establishes a comprehensive regulatory and supervisory framework for alternative investment fund managers ("AIFMs") that manage or market alternative investment funds ("AIFs") in the EU.

In Canada, KKR Capital Markets LLC also relies on the international dealer exemption under the Securities Act (Ontario) and the equivalent in other provinces of Canada. This permits us to trade in non-Canadian equity and debt securities with certain types of investors located in Ontario, Canada.

FS/KKR Advisor, LLC, KKR Credit Advisors (Ireland) Unlimited Company, KKR Credit Advisors (US) LLC, and Kohlberg Kravis Roberts & Co. L.P. rely on the international investment fund manager exemption under the Securities Act (Ontario) and the equivalent, in the case of FS/KKR Advisor, LLC, KKR Credit Advisors (US) LLC, and Kohlberg Kravis Roberts & Co. L.P., in Québec. This exemption permits these entities to act as investment fund manager in respect of funds that have investors in the relevant provinces.

KKR Credit Fund Advisors LLC and KKR FI Advisors LLC rely on the international adviser exemption under the Securities Act (Ontario). This permits these entities to engage in limited types of advising and/or portfolio management in respect of certain types of investors located in Ontario, Canada.

In Japan, KKR Capital Markets Japan Ltd. is registered as a Type I and Type II Financial Instruments Business Operator (broker-dealer) under the Financial Instruments and Exchange Act of Japan, and a money lender under the Money Lending Business Act of Japan. **KKR Capstone Japan Limited is licensed by the Tokyo Metropolitan Government to provide paid employment placement services.** In addition, KJRM is registered as a Type II Financial Instruments Business Operator (broker-dealer), Investment Management Business Operator and Investment Advisory Business Operator under the Financial Instruments and Exchange Act of Japan, and a real estate broker and entrustment-based agency servicer for transactions under the Real Estate Brokerage Act of Japan.

In the United Arab Emirates, KKR MENA Limited, a Dubai International Financial Centre company, is licensed to arrange deals in investments, advise on financial products and arrange custody, and is regulated by the Dubai Financial Services Authority.

In Saudi Arabia, KKR Saudi Limited is licensed by the Capital Market Authority of Saudi Arabia and is authorized for the activity of arranging in the securities business.

In Australia, KKR Australia Pty Limited and KKR Australia Investment Management Pty Limited are Australian financial services **licensed licensees** and are authorized to provide advice on and deal in financial products for wholesale clients, and are regulated by the Australian Securities and Investments Commission.

In Hong Kong, KKR Capital Markets Asia Limited is licensed by the Securities and Futures Commission in Hong Kong to carry on dealing in securities, advising on securities and asset management regulated activities.

In Singapore, KKR Singapore Pte. Ltd. and KKR Credit Advisors (Singapore) Pte. Ltd. each holds a capital markets services license to conduct fund management for institutional investors and accredited investors **only** and is regulated by Monetary Authority of Singapore. **KKR Credit Advisors (Singapore) Pte. Ltd. is also registered as an investment adviser with the SEC under the Investment Advisers Act.**

In Mauritius, KKR Holdings Mauritius, Ltd. **and KKR Account Adviser (Mauritius), Ltd. are is an** unrestricted investment **advisers adviser** authorized to manage portfolios of securities and give advice on securities transactions and **are is** regulated by the Financial Services Commission, Mauritius.

In India, KKR India Asset Finance Limited is registered with the Reserve Bank of India as a non-deposit taking non-banking financial company and is authorized to undertake lending and financing activities. In addition, certain of our funds are registered with SEBI as a foreign portfolio investor or a foreign venture capital investor to make investments in Indian securities. We 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 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.

From time to time, one or more of our investment funds or their related investment vehicles **or management companies** may be regulated as a mutual fund by the Cayman Islands Monetary Authority, regulated as an investment limited partnership by CBI, listed on the Irish Stock Exchange, notified with the Financial Services Agency of Japan for sale pursuant to certain private placement exemptions and/or for investment pursuant to certain exemption, registered with the Financial Supervisory Service of the Republic of Korea, licensed **by or granted in principal approval from** regulated **by** SEBI, subject to the regulatory supervision of the Commission de Surveillance du Secteur Financier of Luxembourg, notified with the Netherlands Authority for Financial Markets for sale pursuant to certain private placement exemptions, or registered under the Investment Company Act.

#### Website and Availability of SEC Filings

Our website address is [www.kkr.com](http://www.kkr.com). Information on our website is not incorporated by reference herein and is not a part of this report. We make available free of charge on our website or provide a link on our website to our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after those reports are electronically filed with, or furnished to, the SEC. To access these filings, go to **our Investor Relations website, available at [ir.kkr.com](http://ir.kkr.com), and then visit the "Stockholders (KKR "SEC Filings & Co. Inc.") Annual Letters" section of our "Investor Center" page on our website, then click on "SEC Filings." this website.** In addition, these reports and the other documents we file with the SEC are available at a website maintained by the SEC at [www.sec.gov](http://www.sec.gov).

From time to time, we may use our website as a channel of distribution of material information. Financial and other material information regarding our company is routinely posted on and accessible at [www.kkr.com](http://www.kkr.com). Financial and other material information regarding Global Atlantic is routinely posted on and accessible at [www.globalatlantic.com](http://www.globalatlantic.com). In addition, you may automatically receive e-mail alerts and other information about our company by enrolling your e-mail address by visiting the "Contacts & Email Alerts" section **under the "Investor Center" page of our Investor Relations website, available at [www.kkr.com](http://www.kkr.com) [ir.kkr.com](http://ir.kkr.com).**

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### ITEM 1A. RISK FACTORS

Investing in our securities involves risk. Persons investing in our securities should carefully consider the risks described below and the other information contained in this report and other filings that we make from time to time with the SEC, including our consolidated financial statements and accompanying notes. Any of the following risks could materially and adversely affect our business, financial condition, **or results of operations. Our business, financial condition or results of operations, cash flows, and prospects. We** could also be materially and adversely affected by additional factors that apply to all companies generally, as well as other risks that are not currently known to us or that we currently view to be immaterial. In any such case, the trading price of our securities could decline and you may lose all or part of your investment. While we **may** attempt to mitigate known risks to the extent **we believe to be** practicable and reasonable, we can provide no assurance, and we make no representation, that our mitigation efforts, **if any**, will be successful. The following risk factors have been organized by category; however, many of the risks are interrelated, and as a result, should be read together to fully understand the risks involved with investing in our securities, regardless of whether a cross-reference is included in any particular risk factor to another risk factor. See also "Business—Competition," "Business—Regulation" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for a discussion of certain business, competitive, regulatory, market, **economic and economic other** conditions that may **materially and adversely affect our business, financial condition and results of operations; us.**

#### Risks Related to Our Business

**Difficult market and economic conditions can, and periodically do, materially and adversely affect KKR.**

We operate an investment management business where we manage investment vehicles that invest in alternative asset classes and also conduct a related capital markets business. We also operate, through our insurance subsidiaries, an insurance business in many ways, which could adversely impact that provides retirement, life and reinsurance products. Our investment management and insurance businesses, and therefore our net income, cash flow, financial condition and prospects.

Our business and the businesses of the companies in which we invest results, are materially affected by financial markets market and economic conditions or events throughout the world such as in the countries in which we operate, invest or have investors, including conditions relating to interest rates, fiscal and monetary stimulus and withdrawal of (and stimulus withdrawal), availability of credit, inflation rates, economic uncertainty growth (and contraction), changes in laws (including laws relating to taxation), trade barriers, commodity prices, and currency exchange rates, foreign exchange controls, liquidity conditions in equity and controls. The impact of these conditions may, debt capital markets, and likely would, also exacerbate many of the other risks discussed in this report.

Periods of difficult conditions or events like the ones identified above may occur across one or more industries as well as various sectors or geographies, and, even if general events. These market and economic or other conditions improve broadly, adverse conditions in particular countries, industries, sectors or asset classes may cause our business performance to suffer. These financial markets and economic conditions are outside not in our control and are often difficult, if not impossible, to predict, manage, mitigate, hedge or foresee. Examples of how these market and economic conditions may materially and adversely affect (i) our businesses include the following, each of which could materially and adversely impact our business or financial results:

- the performance and value of the investments and other assets held in our funds, in by us (including our insurance subsidiaries subsidiaries) and on our balance sheet, (ii) investment vehicles,
- opportunities for us (including our insurance companies subsidiaries) and our funds investment vehicles to make, exit and realize value from our and their investments, (iii)
- our ability to find suitable investments or secure financing for investments on attractive terms, (iv)
- the attractiveness of our investment vehicles and insurance products to investors and policyholders, respectively, including our ability to raise capital for new or successor funds and other investment vehicles on attractive terms, and (v) our capital markets business including
- the frequency and size of fees generated by it.

During periods of difficult market or economic conditions or events, the various companies or assets in which we have investments may experience several negative consequences, including decreased revenues, increased costs, credit rating downgrades, difficulty in obtaining financing and even severe financial losses or insolvency. For example, certain investments with floating interest rate loans may become unable to meet their debt service obligations if their benchmark interest rates were to rise materially or if these investments' lenders or debt holders generally are unwilling to extend or refinance their loans or debt securities on similarly attractive terms. In addition, our and our funds' portfolio companies may have difficulty expanding their businesses and operations or become unable to pay expenses or other obligations as they become due, including amounts payable to us. Similarly, during periods of high interest rates, investors may favor certain investments like government debt, which they may view as producing a higher risk-adjusted return over investments in our funds, particularly if the spread between these other investments and investments in our funds declines. We may not be able to, or may choose not to, manage our exposure to these conditions or events. If not otherwise offset, the adverse impact of difficult market and economic conditions would likely cause us to write down the valuations of our investments held by us or in our funds.

Negative financial results in our and our funds' portfolio companies may result in lower investment returns, which could materially and adversely affect our operating results and cash flow. To the extent the operating performance of such portfolio companies (as well as valuation multiples) deteriorate or do not improve, we or our funds may sell those assets at values that are less than we projected or even at a loss, thereby significantly affecting our respective performance and consequently, our operating results and cash flow and resulting in lower or no carried interest being paid to us. Adverse conditions may also increase the risk of default with respect to private equity, real assets, credit and other investments that we manage or the bankruptcy, abandonment or foreclosure of our investments. Furthermore, when financing is not available or becomes too costly, it is difficult for potential buyers to raise sufficient capital to purchase our and our funds' investments. Consequently, we may earn lower-than-expected returns on investments, which could cause us to realize diminished or no carried interest.

In addition, from our capital markets business generates fees through a variety of activities in connection with the issuance and placement of equity and debt securities, loans and credit facilities, with the size of fees generally correlated to overall transaction sizes. Adverse conditions in financial markets as described above, as well as lower level of transaction activities involving our funds' investments, which can be unpredictable and outside of our control, may negatively impact both the frequency and size of fees generated by our capital markets business. In the event of poor performance by our current funds, we would expect our ability to raise new funds to be significantly impaired. Our fundraising may also be negatively impacted by any change in or rebalancing of fund investors' asset allocation policies. During periods of unfavorable fundraising conditions, fund investors may allocate less capital to our funds or negotiate for lower fees, different fee sharing arrangements and other concessions. Successor funds raised by us when such unfavorable circumstances exist would also likely result in smaller funds than our comparable predecessor funds. Impairment of our ability to raise capital on attractive terms would materially and adversely affect our revenues and profitability.

Global equity and credit markets have a substantial effect on our financial condition and results of operations. Tightening liquidity conditions in equity and credit capital markets affect the availability and cost of capital for us our insurance subsidiaries and our investment vehicles portfolio companies, and the increased cost of credit or degradation in debt financing terms may adversely impact our ability to identify and execute investments on attractive terms, which would adversely impact our ability to generate incentive fees and carried interest.

Market and economic conditions also impact our insurance business in ways in addition to impacting the value of its investment portfolio, as discussed above. Actual or perceived stressed conditions, volatility and disruptions in financial asset classes or various capital markets can have an adverse effect on Global Atlantic, because Global Atlantic's benefit and claim liabilities are sensitive to changing market factors, in particular Global Atlantic's fixed-indexed annuity and indexed universal life products and products with guaranteed minimum withdrawal or surrender or secondary guarantee features. In

times of economic hardship, Global Atlantic's policyholder behavior, including policyholders may choose electing to defer paying insurance premiums, stop paying insurance premiums altogether or surrender their policies, or there could be an elevated rate

- the amount and frequency of defaults within certain of Global Atlantic's investments. In the quarter ended December 31, 2022, Global Atlantic increased its current expected credit loss allowance on its loan portfolio in part as a result of changes in economic conditions. In addition, actual or perceived difficult conditions in the capital markets may discourage individuals from making investment decisions claims and purchasing Global Atlantic's products. Global Atlantic has from time to time experienced an elevated incidence of life insurance claims during periods of increased unemployment, which impacts policyholder health and life expectancy and may adversely impact utilization of benefits relative to Global Atlantic's assumptions. The estimated policy benefit payments.
- the cost of providing guaranteed minimum withdrawal insurance benefits, and death benefits
- insurance capital requirements and collateral requirements under various insurance laws and agreements with third parties.

[Table of certain insurance products requires various assumptions about the overall performance of equity markets over the life of the product. Therefore, significant declines in equity markets could cause Global Atlantic to incur significant operating losses and capital increases due to, among other reasons, Contents](#)

In addition, the impact of such decline these conditions has exacerbated, and will likely continue to exacerbate, other risks discussed in this report, including with respect to valuations, the cost of credit and debt financing terms, and our ability to identify, execute and exit investments on guarantees related attractive terms. In particular, see "—Risks Related to Global Atlantic's annuity products, including from increases in liabilities, increased capital requirements and/or collateral requirements associated with certain Our Business—Many parts of Global Atlantic's agreements.

our earnings and cash flow are highly variable due to the nature of our business." For a discussion of interest rate the risks on relating to our asset management business, see the disclosures under "—Risks Related to Our Investment Activities," and for a discussion of the risks relating to our insurance business, please see "—the disclosures under "—Risks Related to Global Atlantic—Interest rate fluctuations, including sustained periods of low interest rates, a sustained increase in interest rates and high interest rates, may adversely affect Global Atlantic's business, financial condition, liquidity, results of operations, cash flows and prospects."

For further discussion of the impact of difficult market and economic conditions on our investments, see "—Risks Related to the Assets We Manage—Various economic conditions and events outside of our control that are difficult to quantify or predict may have a significant impact on the valuation of our investments and, therefore, on our results of operations and financial condition." Our Insurance Activities."

**Geopolitical developments and other local and global events outside of our control can, and periodically do, materially and adversely impact us and our portfolio companies. KKR.**

Geopolitical developments and other local and global events outside of our control can, and periodically do, materially and adversely impact various aspects of KKR and its businesses. We are a global financial institution with operations, investors and investments located in many countries around the world, which are not immune to geopolitical developments. Geopolitical developments and other local and global events outside of our control, including without limitation, trade conflict, sanctions (reciprocal or unilateral), restrictions on foreign direct investment, trade barriers, civil unrest, national and international political circumstances security events (including the outbreak of war, terrorist acts or security operations) other hostilities), can, and occasionally do, materially and adversely impact our ability to conduct our investment management and insurance businesses, as well as our portfolio companies and our other investments investments. These risks have increased in both scale and complexity due to intensifying geopolitical competition and conflicts, including the ongoing Russian invasion of Ukraine and unrest in the Middle East, heightened geopolitical competition between China and other major world economies, heightened levels of political populism leading to regulatory volatility, and increased attention to global threats, including climate change. We have a number of offices located in multiple countries around the world. Our world, including China, South Korea, Japan, Australia, the United Kingdom, France, Germany, United Arab Emirates, Saudi Arabia, and elsewhere, and we seek investors from various countries throughout the world for our investment products and, to a lesser extent, our insurance business's products. In particular, our investment strategies target opportunities globally, including across the Americas, Europe, Asia-Pacific, and the Middle East. Political instability and extremism, conflict, and civil unrest and anti-government protests in any region where we have material business operations or investments may have an a material adverse impact effect on our and our portfolio companies' business results, operations or reputation. Even where an investment strategy does not directly target a region or a country that is experiencing one of the aforementioned events, we may still be materially adversely affected by the occurrence of such events as a result of indirect exposure we or our portfolio companies may have through other interconnectivities described in these risk factors, including supply chains, commodity prices and general macroeconomic exposure. We may be wholly ineffective in managing these risks. These risks have increased in both scale and complexity over the past year due to intensifying geopolitical competition and conflicts, including the Russian invasion of Ukraine, heightened geopolitical tension between major world economies, heightened levels of political populism leading to regulatory volatility, and increased attention to trans-national threats, including climate change, us.

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 our investment opportunities, management and insurance businesses. In addition, intensifying rivalries and conflicts in in the performance Asia-Pacific, Middle East, Europe 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. Occurrence of war or hostilities involving a country in which we have investments, investors, insurance counterparties or employees could adversely affect our business.

We (including our insurance subsidiaries) may have direct investments in a region or a country that is experiencing one of the aforementioned events, and we may also be materially and adversely affected by the occurrence of such events as a result of indirect exposure that our portfolio companies or other investments may have through other interconnectivities such as supply chains, commodity prices and general macroeconomic exposure. The value of our funds, and the revenues and profitability of our portfolio companies. Trade investments can be materially impacted by trade wars or other governmental actions related to tariffs or international trade agreements and policies that materially constrain cross-border flows of investment, which have the potential to increase costs, decrease margins, reduce the competitiveness of products and services offered by current and future portfolio companies and adversely affect the revenues and profitability of portfolio companies whose businesses rely on goods imported from or exported to any country impacted by such policies. In addition, tariff increases may adversely affect our suppliers and certain other customers of our portfolio companies, which could amplify any negative impact. Further, the occurrence of war or hostilities involving a country in which we have investments or where our portfolio companies operate or have other interconnectivity could adversely affect the performance of these portfolio companies and their investments.

Even with limited direct exposure to Russia prior to its invasion of Ukraine, the conflict and related sanctions imposed on Russia have exacerbated and may further exacerbate these trends, including with respect to oil and gas prices. Policies, such as restrictions on exports of food, have also increased globally as a result of Russia's invasion of Ukraine. Beginning in February 2022, the United States and other countries began imposing, and have continued to impose, meaningful sanctions targeting Russia as a result of actions taken by Russia in Ukraine. For example, in October 2023, a UK court expanded the definition of "ownership or control" under UK sanctions that broadens the impact of UK sanctions on Russian entities. We and our portfolio companies will be required to comply with these and potentially additional sanctions imposed by the United States and by other countries, for which the full costs, burdens, and limitations on our **operating results** and our portfolio companies' businesses and prospects are currently unknown and may become significant.

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It is not possible to predict the broader or future cash flows.

**Escalation** longer-term consequences of the Russian invasion of Ukraine or continued tensions between the U.S. (and other countries) and China. Similarly, escalation in tensions between the U.S. (as well as other major economies) and China, the inability of the U.S. and China to reach further trade agreements, the continued use of reciprocal sanctions by each country, or broadening implementation of investment restriction regimes in or related to China, may contribute to a slowing of global economic growth and adversely affect the revenues and profitability of our **funds' portfolio companies**. The U.S. government has implemented and expanded a number of economic and trade sanctions programs and export controls that target Chinese entities and nationals on national security grounds, and has imposed restrictions on acquiring and retaining interests in the securities of certain Chinese entities. See "—Federal, state and foreign anti-corruption and trade sanctions laws and restrictions on foreign direct investment applicable to us and our portfolio companies create the potential for significant liabilities and penalties, the inability to complete transactions, imposition of significant costs and burdens, and reputational harm."

In addition, occurrence of war or hostilities involving a country in which we have investments or where our portfolio companies operate could adversely affect the operations and valuations of our portfolio companies and investments **other investments**. These conflicts could result in such country or where such portfolio companies have other interconnectivity, in addition to indirect exposure to supply chain disruptions and commodity price volatility exacerbated by such conflict. For example, the Russia-Ukraine conflict, including the sanctions imposed in response to Russia's invasion of Ukraine, have exacerbated and may further exacerbate these issues and trends, including with respect to oil and gas prices. Policies, such as restrictions on exports of food, have also increased globally as a result of Russia's invasion of Ukraine. The significant expansion of the sanctions lists in the EU, the UK, the U.S., 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 may impact our operations and valuations of our portfolio companies. It is not possible to predict the broader or longer-term consequences of this conflict, which could **include** further sanctions, embargoes, regional instability, geopolitical shifts and adverse effects on macroeconomic conditions, security conditions, currency exchange rates, exchange controls and financial markets.

**Public Natural disasters and catastrophes, including public health crises, and potential changes in climate conditions could materially and adversely affect KKR.**

Natural disasters or catastrophes, such as **COVID-19**, may continue public health crises, extreme weather events, climate change, earthquakes, tsunamis and floods could have an adverse impact on our ability to **occur** conduct our investment management and insurance businesses. Such disasters and catastrophes could limit or even materially prohibit our ability to conduct any investment activities in certain locations. In addition, claims arising from the occurrence of such events could have an adverse effect on our insurance activities, in particular with respect to time, which could directly **lapses** and indirectly adversely impact us and our portfolio companies.

**Public surrenders** of existing policies, as well as sales of new policies. More specifically, public health crises, pandemics and epidemics, such as those caused by new strains of viruses such as H5N1 (avian flu), severe acute respiratory syndrome (SARS) and the SARS-CoV-2 virus (COVID-19), may occur from time to time, which could directly and indirectly impact us **and our portfolio companies** in material respects **that we are unable to predict or control**, including by threatening our **and their employees' employees'** well-being and morale and interrupting business activities, **supply chains and transactional activities**, including disrupting travel, investment activities, policy claim payouts, fundraising and **negatively impacting** new policy sales. In addition, we may be materially and adversely affected as a result of many related factors outside our control, including the **economies effectiveness** of governmental responses to a public health crisis, pandemic or epidemic, the **affected countries extension**, amendment or **regions**. COVID-19 caused severe disruptions to the U.S. and global economies in the past and may in the future cause additional severe disruptions. Governments around the world have instituted measures, at various times, to slow the transmission **withdrawal** of COVID-19, which substantially restricted individual and business activities and could be reinstated in the future. These measures could include, for example, closures of non-essential businesses, limitations of crowd size, stay-at-home orders, quarantines, heightened border controls, limitations on **travel any programs or initiatives established by governments** and the **conduct timing and speed** of business, and vaccination and testing mandates. Governments in the United States and around the world responded with, and may further respond with, fiscal and monetary stimuli that aim to provide emergency assistance to individuals and businesses negatively impacted by COVID-19. The outbreak of COVID-19 and the actions **economic recovery**. Actions taken in response **contributed** may contribute to significant volatility in the financial markets, resulting in increased volatility in equity prices (including our common stock), **lower material** interest **rates, rate changes**, supply chain disruptions, such as simultaneous supply and demand shock to global, regional and national economies, and an increase in inflationary pressures.

**The adverse** In particular, our headquarters and most of our senior administrative personnel are located in our New York City office. Any disruption in the operation of, or inability to access, our New York City office could have a significant impact on our business, **financial performance** and **operating results** by a public health crises, pandemic and epidemic such risk of disruption or inaccessibility could be significantly driven by **heightened** during a number of factors that we are unable to predict or control, including, for example: new strains of viruses that cause severe illness or death like COVID-19; the effectiveness of governmental responses to the public health crisis, pandemic or epidemic, including the extension, amendment or withdrawal of any programs or initiatives established by governments; and the timing and speed of economic recovery. The impact of **terrorist attack**, a public health crisis **or** pandemic located in **or epidemic** may also exacerbate the other risks discussed in this report.

**around New York City**. It is impossible to predict with certainty the possible future **business and economic ramifications material adverse effects to us** arising from **the COVID-19** pandemic natural or man-made disasters or catastrophes, or any other public health crisis, pandemic or epidemic, **including but not limited** and these effects may include the exacerbation of many of the other risks discussed in this report, especially with respect to our investment activities.

Potential changes in climatic conditions, together with the response or failure to respond to these changes, could precipitate natural disasters. While the precise future effects of climate change are unknown, it is possible that climate change could affect precipitation levels, droughts, wildfires, agricultural production, wind levels, annual sunshine, sea levels



and the severity and frequency of storms and other severe weather events. These events and the disruptions that they cause, alone or in combination, also have the potential adverse impacts on: (i) to strain or deplete infrastructure and response capabilities generally. See also "—Risks Related to Our Investment Activities—Our investments in real assets such as real estate, infrastructure and energy may expose us to increased risks and liabilities." We and our stock price, (ii) investments 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 valuations process of transitioning to a lower-carbon economy). New climate-related regulations or interpretations of existing laws may result in enhanced disclosure obligations, which could negatively affect our and our funds' investment vehicles' investments and our financial results, (iii) our and our portfolio companies' business operations, as well as those of entities of which we or our funds are creditors, and our and their other counterparties, such as suppliers and customers, including planning, strategy, execution, portfolio management, fundraising, and other aspects of business operations, (iv) our ability to conduct current and new business, raise new funds, write new insurance policies and complete investments, (v) our ability to successfully exit existing investments, (vi) the ability of us or our portfolio companies to meet our respective financial obligations, such as principal or interest payment obligations or satisfaction of financial covenants, (vii) portfolio companies in certain industries, including but not limited to, those in the travel, entertainment and hospitality industries, (viii) workplace, consumer, insurance, contract and other forms of litigation that exposes us, our portfolio companies, suppliers, customers, debtors and other counterparties to risks and claims of a magnitude and nature that we cannot now anticipate, (ix) mortality, morbidity and insurance policyholder behavior, such as surrenders or lapses, (x) operational risks, including heightened cybersecurity risk exacerbated by the COVID-19 pandemic and remote work by our employees, and (xi) our employees' well-being, morale and productivity and our ability to retain existing employees and hire new employees needed for our current business or the future growth of our business.

**Changes in the debt financing markets, including the impact of changes in interest rates, may negatively affect our business in many ways, which could adversely impact our net income, cash flow, financial condition and prospects.**

Changes in the debt financing markets may negatively impact the ability of Global Atlantic or our investment funds, their portfolio companies and strategies pursued with our balance sheet assets to obtain attractive financing for their and our investments or to refinance existing debt and may materially increase the regulatory burden and cost of such financing or refinancing if it is obtained, which could lead to lower-yielding investments and potentially decrease our net income or negatively impact our business in other ways. For example, Global Atlantic's calculations of required insurance capital may move with market movements and result in greater capital needs during economic downturns. Global Atlantic may also need additional liquidity to pay insurance liabilities in excess of its assumptions due to market impacts on policyholder behavior. In addition, if our funds are unable to obtain committed debt financing for potential acquisitions or can only obtain debt at an increased interest rate or on unfavorable terms, our funds may have difficulty completing otherwise profitable acquisitions or may generate profits that are lower than would otherwise be the case, either of which could lead to a decrease in the investment income earned by us. Any failure by lenders to provide previously committed financing can also expose us to potential claims by sellers of businesses that we may have contracted to purchase. Similarly, the issuance of CLOs and certain of the strategies pursued with our balance sheet assets rely on the use of leverage, including various secured and unsecured borrowings.

Our ability to generate returns on these assets would be reduced to the extent that changes in market conditions, including changes to short-, medium- or long-term interest rates, cause the cost of our financing to increase relative to the income that can be derived from the assets acquired or financed. An increase in either the general levels of interest rates or in the risk spread demanded by sources of indebtedness would also make it more expensive to finance investments. During periods of rising or higher interest rates, which occurred in 2022 and may continue to occur in 2023, certain investments with floating interest rate loans may have greater challenges in meeting their debt service obligations if their benchmark interest rates were to rise materially, or if these investments' lenders or debt holders generally are unwilling to extend or refinance their loans or debt securities on similarly attractive terms. Any of these events could result in defaults, foreclosures or bankruptcies, which would likely reduce the value of our investments and could result in decreased net income. An increase in interest rates and other changes in the financial markets could also negatively impact the values of certain assets or investments and the ability of our balance sheet assets, funds and their portfolio companies, and finance vehicles to access the capital markets on attractive terms, which could adversely affect investment and realization opportunities, lead to lower-yielding investments and potentially decrease our net income. Conversely, low interest rates related to monetary stimulus, economic stagnation or deflation may negatively impact expected returns on all types of investments as the demand for relatively higher return assets increases and the supply decreases. For further information on the impact of interest rates on our valuation methodologies, see "—Risks Related to the Assets We Manage—Various economic conditions and events outside of our control that are difficult to quantify or predict may have a significant impact on the valuation of our investments and, therefore, on our results of operations and financial condition." compliance.

Similarly, our portfolio companies regularly utilize the corporate debt markets in order to obtain financing for their operations. To the extent that credit markets render such financing difficult to obtain or more expensive, this may negatively impact public health crises, pandemics, wars, terrorist attacks, epidemics and weather events could also directly and indirectly impact the operating performance of those portfolio companies and our insurance subsidiaries and, therefore, the investment returns on our funds and our insurance subsidiaries. In addition, to the extent that conditions in the credit markets impair the ability of our portfolio companies to refinance or extend maturities on their outstanding debt, either on favorable terms or at all, the operating performance of those portfolio companies may be negatively impacted, which could impair the value of our investment in those portfolio companies and lead to a decrease in the investment income earned by us. In some cases, the inability of our portfolio companies to refinance or extend maturities may result in the inability of those companies to repay debt at maturity or pay interests when due, and may cause the companies to sell assets, undergo a recapitalization or seek bankruptcy protection, any of which would also likely impair the value of our investment and lead to a decrease in investment income earned by us.

**Transition away from LIBOR as a benchmark reference for interest rates may result in additional costs or adversely affect our or our funds' liquidity, results of operations and financial condition.**

LIBOR and certain other floating rate benchmark indices to which our floating rate debt is tied are the subject of recent national, international and regulatory guidance and proposals for reform. Transition away from LIBOR as a benchmark reference for interest rates may affect the cost of capital and require amending or restructuring existing debt instruments and related hedging arrangements for us, our investment funds and our portfolio companies and may impact the value of floating rate securities or loans based on LIBOR other investments in material respects that we are unable to predict or our investment funds have held, all control, which could materially and adversely impact valuations, especially valuations of which may result in investments directly in additional costs or adversely affect our collateralized by real assets, loans or our funds' liquidity, results of operations and financial condition.

In January 2021, International Swaps and Derivatives Association amended the definitions used in derivative contracts to incorporate Secured Overnight Financing Rate ("SOFR") other assets as the successor rate to LIBOR. On December 31, 2021, the following LIBOR currencies across all tenors ceased to be published: Sterling (GBP) LIBOR, Euro LIBOR, Japanese Yen (JPY) LIBOR and Swiss Franc (CHF) LIBOR. Additionally, one week and two month U.S. Dollar (USD) LIBOR tenors ceased to be published. It is expected well as portfolio companies that the remaining tenors of USD LIBOR will cease to be published and rely on physical factories, plants or no longer be representative on June 30, 2023 stores located in the United States, and that SOFR will be the predominant replacement for LIBOR. Additionally, as of January, 1, 2022, global regulators stated that there can be no new LIBOR-linked origination and or issuance in any LIBOR currency and as such, remaining USD LIBOR tenors may only be referenced on a legacy basis for facilities

that funded on or before December 31, 2021. 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 will replace LIBOR in certain financial contracts after June 30, 2022.

Although we have amended the agreements governing our corporate revolving credit facility and our capital markets revolving credit facilities to remediate LIBOR-based loans, certain credit assets held by our investment funds and our insurance subsidiaries and long-term indebtedness incurred by us, our investment funds, our insurance subsidiaries and our portfolio companies bear interest at variable interest rates, including rates linked to LIBOR. We, our investment funds and our portfolio companies have other LIBOR-based debt instruments and related hedging arrangements that may require amending or restructuring, which may be difficult, costly and time consuming. Replacing LIBOR with an alternative reference rate in the underlying agreements may require an amendment or a repricing of these loans and securities, which may have an adverse impact on our funds and us. In situations where our existing LIBOR-based contracts do not contain clear fallback language governing the transition to a successor reference rate, we or our funds could incur increased costs, including litigation-related costs, related to the determination of an appropriate successor rate, which could have an adverse impact on us, our investments and our funds.

Going forward, transition from LIBOR to SOFR or to another reference rate may result in an increase or a decrease of the overall borrowing cost for us, our investment funds, our insurance subsidiaries and our portfolio companies. Even if the overall borrowing cost decreases, any savings that we realize from such decrease could be offset partially or entirely by lower overall interest income we receive from our credit assets. In addition, we and certain consolidated funds hold credit investments that generate interest income based on variable interest rates, and if we receive lower interest income, such funds may be adversely affected. If the transition from LIBOR results in an overall increase to the borrowing cost, higher interest expense could negatively affect the financial results and valuations of our portfolio companies. Transition to new reference rates also requires an upgrade to the software and systems we and our third-party vendors use to properly record and process loans and other instruments based on the new rates. Such upgrade may not become fully available in time or its implementation could be delayed because of the dynamic nature of the transition. Any failure to timely implement the necessary software or systems upgrade could adversely affect our business operations. Significant uncertainty still exists as to, for example, the successor reference rate that will be predominantly adopted in the market, emergence of credit sensitive rates, and interpretation and or re-negotiation of agreements without clear LIBOR transition provisions. Such uncertainty could give rise to widespread disputes, affected areas.

including litigation, which can adversely affect us, and result in a sudden or prolonged increase or decrease in the value [Table of LIBOR-based loans and securities, including those of other issuers we or our funds currently own or may in the future own. These changes in value may impact the availability and cost of hedging instruments and borrowings, potentially resulting in an increase to our and our funds' interest expense and cost of capital. Any increased costs, lower interest income or reduced profits as a result of the foregoing may adversely affect our liquidity, results of operations and financial condition. Contents](#)

**We have significant liquidity requirements, and adverse market and economic conditions may adversely affect our sources of liquidity, which could materially and adversely affect our business operations in the future. KKR.**

We expect that our (including Global Atlantic's) primary liquidity needs will consist of cash required to meet various obligations, including, without limitation, to:

- continue to support and grow our Asset Management business lines, including seeding new investment strategies, supporting management and insurance businesses and to meet policyholder obligations and various other obligations. We also have debt securities outstanding and indebtedness outstanding under various credit facilities. On the scheduled maturity dates of these debt obligations, depending on the market conditions, we may not be able to refinance or renew them on attractive or commercially reasonable terms or at all. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity Needs" for further information regarding our liquidity needs along with our capital commitments made as of December 31, 2023 and Note 16 "Debt Obligations" in our financial statements for further information regarding our senior notes, credit facilities and other outstanding debt obligations.

For a discussion of our liquidity needs for our investment activities, please see "—Risks Related to Our Investment Activities—Our investment activities have significant liquidity requirements, and changes in debt or equity markets may materially and adversely affect our investment activities." We have used, and from time to time may continue to use, our balance sheet to provide credit support for our general partners' obligations to our investment vehicles and to facilitate certain investment transactions entered into by our vehicles investment vehicles. See "—Risks Related to existing and future funds, co-investments and any net capital requirements of our capital markets companies and otherwise supporting the investment vehicles that we sponsor;

- continue to support and grow our insurance business;
- grow and expand our businesses generally, including by acquiring or launching new, complementary or adjacent businesses;
- warehouse investments in portfolio companies or other investments for the benefit of one or more of our funds, accounts or CLOs or other investment vehicles pending the contribution of committed capital by the fund investors in such vehicles, and advancing capital to them for operational or other needs;
- service debt obligations including the payment of obligations at maturity, on interest payment dates or upon redemption, as well as any contingent liabilities, including from litigation, that may give rise to future cash payments, including funding requirements to levered investment vehicles or structured transactions;
- fund cash operating expenses and contingencies, including for litigation matters and guarantees;
- pay corporate income taxes and other taxes;
- pay policyholders and amounts in our insurance business related to investment, reinvestment, reinsurance or funding agreement activity;
- pay amounts that may become due under our tax receivable agreement;
- pay cash dividends in accordance with our dividend policy for our common stock or the terms of our preferred stock, if any;

- underwrite commitments, advance loan proceeds and fund syndication commitments within our capital markets business;
- post or return collateral in respect of derivative contracts;
- acquire other assets for our Principal Activities business line, including other businesses, investments and assets, some of which may be required to satisfy regulatory requirements for our capital markets business or risk retention requirements for CLOs (to the extent they may apply);
- address capital needs of regulated subsidiaries as well as non-regulated subsidiaries; and
- repurchase shares of our common stock or retire equity awards pursuant to the share repurchase program or repurchase or redeem other securities issued by us.

These liquidity requirements are significant and, in some cases, involve capital that will remain invested for extended periods of time or, in other cases, involve capital that is able to be withdrawn more frequently by fund investors, subject to certain limits. See "—Our Business—Certain types of investment vehicles, especially those offered to individual investors, may subject us to a variety of risks, including new and greater levels of public and regulatory scrutiny, regulation, risk of litigation and reputational risk, which could materially and adversely affect us." Commitments to our funds and other businesses will require significant cash outlays over time, and there can be no assurance that we will be able to generate sufficient cash flows from realizations of investments to fund them. We have also used our balance sheet to provide credit support for our general partners' obligations to our funds and to facilitate certain investment transactions entered into by our funds.

We also have debt securities outstanding and indebtedness outstanding under various credit facilities. On the scheduled maturity dates of these facilities, depending on the market conditions, we may not be able to refinance or renew our senior notes or credit facilities on commercially reasonable terms or at all. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity Needs—Capital Commitments" for further information regarding our capital commitments as of December 31, 2022 and Note 17 "Debt Obligations" in our financial statements for further information regarding our senior notes, credit facilities and other outstanding debt obligations.

In addition, the The underwriting commitments for our capital markets business may require significant cash obligations, and these commitments may put pressure on our liquidity. One of the credit facilities obtained by our capital markets business can only be used in connection with the general corporate and working capital needs of our capital markets business, including placing and underwriting securities offerings, and another credit facility can only be used to facilitate the settlement of debt transactions syndicated by our capital markets business. To the extent we commit to buy and sell an issue of securities in firm commitment underwritings or otherwise, we expect to borrow under these revolving credit facilities or may require other sources of liquidity to fund such obligations, which, depending on the size and timing of the obligations, may limit our ability to enter into other underwriting arrangements or similar activities, service existing debt obligations or otherwise grow our business. Regulatory net capital requirements may also limit the ability of our broker-dealer subsidiaries to participate in underwriting or other transactions.

Depending on market and economic conditions, we may not be able to meet the primary our liquidity needs, related to the indebtedness discussed above, refinance or renew all or part of our debt obligations, or find alternate sources of financing (including issuing equity, debt or equity capital) on attractive or commercially reasonable terms or at all. Furthermore, the incurrence of additional debt by us or our subsidiaries in the future could result in downgrades of our existing corporate credit ratings, which could limit the availability of future financing and increase our costs of borrowing. In the event that our liquidity requirements were to exceed available liquid assets, for the reasons specified above or for any other reasons, we could be forced to sell assets or seek to raise debt or equity capital on unfavorable terms. For further discussion Moreover, the failure to comply with covenants contained in any of our debt agreements could trigger prepayment obligations that could materially and adversely affect us by causing additional liquidity needs, see "Management's constraints. Any default under these agreements (including through defaults on other debt that may result in cross-defaults on these agreements), and any resulting acceleration of the borrower's outstanding indebtedness, could have a material adverse effect on us and could also cause a cross-default under our corporate revolving credit facility, which, if not cured or waived, could have a material adverse effect.

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Although KFN and Global Atlantic are subsidiaries of KKR, KFN and Global Atlantic each has its own indebtedness outstanding. The terms of their respective indebtedness impose limitations on these companies' current and future operations and may restrict their ability to make distributions to KKR. With respect to Global Atlantic, our insurance subsidiaries are also subject to regulatory restrictions that are expected to restrict their ability to make distributions to KKR. We also could be forced to sell investments at a loss in connection with our insurance business to cover policyholder benefits, surrenders, withdrawals, recaptures or collateralization requirements of Global Atlantic's reinsurance commitments or other events. Many of the products in Global Atlantic's in-force book allow policyholders to withdraw their funds, also referred to as a surrender, under defined circumstances. In addition, certain of Global Atlantic's reinsurance agreements include provisions requiring that under certain circumstances Global Atlantic provides collateral to support performance of its reinsurance commitments, including trust balances. Our insurance subsidiaries manage their liabilities and configure their investment portfolios to provide and maintain sufficient liquidity to support anticipated withdrawal demands, surrenders, contract benefits and maturities. While our insurance subsidiaries own a significant amount of liquid assets, a portion of their assets are considered less liquid. Unanticipated withdrawal or surrender activity or liquidity demands in connection with recaptures or collateralization requirements could, under some circumstances, require our insurance subsidiaries to dispose of assets on unfavorable terms, which could have a material adverse effect on KKR. Moreover, reinsurance agreements may provide for recapture rights on the part of Global Atlantic's ceding company clients, and a substantial portion of Global Atlantic's reinsurance agreements require that Global Atlantic hold or provide collateral to support performance of Global Atlantic's reinsurance commitments. We may be forced to sell investments as a result of a recapture of its reinsurance business or as a result of the need to hold additional collateral that meets the associated investment guidelines, which could have a material adverse effect on KKR.

**AUM, referred to as perpetual capital, is subject to material reduction, including through withdrawal, redemption or dividends, and termination.**

We refer to a significant portion of our AUM from time to time as perpetual capital, because it has an indefinite term with no predetermined requirement to return invested capital to investors upon the realization of investments. This AUM includes the capital of our registered investment vehicles, certain unregistered investment vehicles, listed companies, and insurance companies, and it excludes our traditional private equity investment vehicles, similarly structured investment vehicles, and hedge fund partnerships. In addition to fluctuations based on the valuations of the underlying investments of the AUM, this capital is subject, however, to withdrawals, redemptions and periodic payments such as dividends. Perpetual capital may also be reduced through elections by investment vehicle investors to redeem their investment, which is permitted in certain of our vehicles. See "—Risks Related to Our Investment Activities—Investors in certain of our investment vehicles are entitled to redeem their investments in these vehicles on a periodic basis, and certain of our investment advisory agreements may be terminated with minimal notice." In addition, we expect that the capital arising from KKR's investment management agreements with our insurance subsidiaries would, in general, be reduced if outflows to pay policyholder obligations under Global Atlantic's insurance policies and reinsurance agreements exceed



inflow from writing new insurance policies or entering into new reinsurance transactions. Moreover, perpetual capital may be removed from our AUM under certain circumstances, because the underlying investment management agreement may be terminated by a client for specific reasons like poor investment performance, and perpetual capital may also be terminated by a client's failure to renew our investment management agreement. Therefore, our investors should not view this component of our AUM as being permanent without exception, because it can be subject to material reductions and even termination.

**Many parts of our earnings and cash flow are highly variable due to the nature of our business.**

Many parts of our earnings are highly variable from quarter to quarter due to volatility of investment valuations, the investment returns by our funds and other investment vehicles, and the accrual and payment of carried interest and fees earned from our investment activities. We recognize earnings on investments in our investment vehicles based on our allocable share of realized and unrealized gains (or losses) reported by such investment vehicles and for certain of our recent investment vehicles when a performance hurdle is achieved, which in each case are subject to significant uncertainty and risk, including as a result of other risks discussed in this report. During times of market volatility, the fair value of the investments we own or manage, especially any publicly traded equity securities, are more variable, and volatility in the equity markets may have a significant impact on our reported results. A decline in realized or unrealized gains, a failure to achieve a performance hurdle or an increase in realized or unrealized losses, would adversely affect KKR's financial results.

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The timing and receipt of carried interest from our investment vehicles are unpredictable and will contribute to the volatility of our cash flows. With respect to our carry paying funds, subject to the terms of their respective governing agreements, carried interest is generally eligible to be distributed to the general partner of the fund with a clawback provision only after all of the following are met: (i) a realization event has occurred (e.g., sale of a portfolio company, dividend, etc.); (ii) the fund has achieved positive overall investment returns since its inception, in excess of performance hurdles where applicable, and is accruing carried interest; and (iii) with respect to investments with a fair value below cost (which we refer to as a netting hole as discussed above), cost has been returned to fund investors in an amount sufficient to reduce remaining cost to the investments' fair value. Even after all of the preceding conditions are met, the general partner of a carry paying fund may, in its sole discretion, decide to defer the distribution of carried interest to it to a later date. Carried interest payments from investments depend on our investment vehicles' performance and opportunities for realizing gains, which may be limited. It typically takes a substantial period of time to identify attractive investment opportunities, to raise all the funds needed to make an investment, and then to realize the cash value of an investment through a sale, public offering or other exit to generate carried interest proceeds. To the extent an investment is not profitable, no carried interest will be received from our investment vehicles with respect to that investment and, to the extent such investment remains unprofitable, we will only be entitled to a management fee on that investment. Furthermore, certain vehicles and separately managed accounts may not provide for the payment of any carried interest at all. Even if an investment proves to be profitable, it may be several years before any profits can be realized in cash. We cannot predict when, or if, any realization of investments will occur. In addition, if finance providers, such as commercial and investment banks, make it difficult for potential purchasers to secure financing to purchase companies in our investment funds' portfolio, it may decrease potential realization events and the potential to earn carried interest. If we were to have a realization event in a particular quarter, the event may have a significant impact on our cash flows during the quarter that may not be replicated in subsequent quarters. A decline in realized or unrealized gains, or an increase in realized or unrealized losses, would adversely affect our financial results, which could further increase the volatility of our quarterly results under GAAP. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—[Liquidity](#)," [Liquidity—Sources of Liquidity](#)" for further information regarding the conditions for carried interest to become distributable.

The timing and receipt of carried interest also vary with the life cycle of certain of our investment vehicles. For our carry-paying investment vehicles that have completed their investment periods and are able to realize mature investments, sometimes referred to as being in a "harvesting period," we are more likely to receive larger carried interest distributions than our carry-paying investment vehicles that are in their fundraising or investment periods that precede the harvesting period since those investment vehicles are less likely to realize their investments and, even if they did, we are more likely to defer carried interest distributions due to the potential for a clawback. During times when a significant portion of our AUM is attributable to carry-paying investment vehicles that are not in their harvesting periods, we may receive substantially lower carried interest distributions.

Fee income, which we recognize when contractually earned, can vary due to fluctuations in AUM, the number of investment transactions made by our investment vehicles, the number of portfolio companies we manage, the fee provisions contained in our investment vehicles and other investment products and transactions by our capital markets business. In any particular quarter, fee income may vary significantly due to the variances in size and frequency of transaction fees or fees received by our capital markets business. For further information on the amount of our total management, monitoring and transaction fees, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Segment Operating Results" and Note 2 "Summary of Significant Accounting Policies—Fees and Other" in our financial statements.

Additionally, a decline in the pace, size, or value of investments by our investment vehicles would result in our receiving less revenue from fees. The transaction and management or monitoring fees that we earn are driven in part by the pace at which our investment vehicles make investments and the size of those investments. Any decline in that pace or the size of investments would reduce our revenue from transaction and management or monitoring fees. Likewise, during an attractive selling environment, our investment vehicles may capitalize on increased opportunities to exit investments. Any increase in the pace at which our investment vehicles exit investments, if not offset by new commitments and investments, would reduce future management fees. Additionally, in certain of our investment vehicles that derive management fees only on the basis of invested capital, the pace at which we make investments, the length of time we hold such investments, and the timing of disposition will directly impact our revenues. Many factors could cause such a decline in the pace of investment or the transaction and management or monitoring fees we receive, including the other risks discussed in this report.

With respect to our insurance business, block reinsurance transactions are expected to create variability in our financial results in or for the period in which this type of transaction is executed, for example by significantly increasing policy benefits in that period, depending on the types of liabilities reinsured. In addition, aspects of how our insurance business is required to report certain investments and liabilities is expected to add volatility to our financial results from quarter to quarter.

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**The "clawback" provisions in the agreements governing our governing agreements carry-paying funds may give rise to a contingent obligation that may require us to return or contribute significant amounts to our funds and fund investors.**

Carry distributions may give rise to clawback obligations. The partnership documents governing our carry-paying funds, including funds relating to private equity, credit and real assets investments, generally include a "clawback" provision that, if triggered, may give rise to a contingent obligation requiring the general partner to return amounts to the fund for

distribution to the fund investors at the end of the life of the fund. Under a clawback obligation, upon the liquidation of a fund or other event as set forth in the terms governing the fund, the general partner is required to return, typically on an after-tax basis, previously distributed carry to the extent that, due to the diminished performance of later investments, the aggregate amount of carry distributions received by the general partner during the term of the fund exceed the amount to which the general partner was ultimately entitled, including after taking into account the effects of any performance thresholds. We would continue to be subject to the clawback obligation even if carry has been distributed to current or former employees or other persons through our carry pool. If such current or former employees or other persons do not satisfy their share of any clawback obligation, we will be responsible for funding the entire clawback obligation and we would be required may need to seek other sources of liquidity to fund such an obligation if such carry is not returned to us by them. obligation. Not all carry may be recoverable from current or former employees and other persons once it has been distributed by us. As of December 31, 2022 December 31, 2023, approximately \$520 million \$546 million of carried interest was subject to this clawback obligation, assuming that all applicable carry-paying funds were liquidated at their December 31, 2022 December 31, 2023 fair values. Had the investments in such carry-paying funds been liquidated at zero value, the clawback obligation would have been approximately \$2.9 billion \$3.5 billion.

Because carried interest is typically based on actual cash distributions to investors, for a fund that has an aggregate fair value above aggregate cost, and is otherwise accruing carried interest, but has one or more investments where fair value is below cost, the shortfall between cost and fair value for such investments is referred to as a "netting hole." If present, a netting hole will reduce the carried interest we otherwise would earn because, before any realized gains can be distributed to the general partner as carried interest, these netting holes must be "filled" through a return of capital to fund investors in an amount sufficient to reduce the remaining cost to the investments' fair value.

In addition, we have entered into strategic investor partnerships with certain investors, generally through separately managed accounts, which have longer investment periods, often of 20 years or more, may offer reduced fees for such investors, provide for investments across different investment strategies and may require netting across various funds in which they invest, in effect potentially creating a netting hole across funds. Since strategic investor partnerships have longer investment periods and invest in multiple strategies, as compared to our traditional private equity fund structure, these fund structures may increase the risk of a clawback and the possibility of a netting hole because, over a longer investment period, a period of reduced performance following periods of performance adequate to realize carried interest is more likely to occur.

***AUM referred to as perpetual capital is subject to material reduction, including through withdrawal, redemption or dividends, and termination.***

We refer to a significant portion of our AUM from time to time as perpetual capital, because it has an indefinite term with no predetermined requirement to return invested capital to investors upon the realization of investments. This AUM includes the capital of our registered funds, certain unregistered funds, listed companies, and insurance companies, and it excludes our traditional private equity funds, similarly structured investment funds, and hedge fund partnerships. In addition to fluctuations based on the valuations of the underlying investments of the AUM, this capital is subject, however, to withdrawals, redemptions and periodic payments such as dividends. Perpetual capital may also be reduced through elections by fund investors to redeem their fund investment. See "—Risks Related to the Assets We Manage—Investors in certain of our investment vehicles are entitled to redeem their investments in these vehicles on a periodic basis." In addition, we expect that the capital arising from KKR's investment management agreements with Global Atlantic would, in general, be reduced if outflows to pay policyholder obligations under Global Atlantic's insurance policies and reinsurance agreements exceed inflow from writing new insurance policies or entering into new reinsurance transactions. Moreover, perpetual capital may be removed from our AUM under certain circumstances, because the underlying investment management agreement may be terminated by a client for specific reasons like poor investment performance, and perpetual capital may also be terminated by a client's failure to renew our investment management agreement. Therefore, our investors should not view this component of our AUM as being permanent without exception, because it can be subject to material reductions and even termination.

***Many parts of our earnings and cash flow are highly variable due to the nature of our business, which may cause the value of interests in our business to be volatile.***

Many parts of our earnings are highly variable from quarter to quarter due to the volatility of investment returns of most of our funds, other investment vehicles and our balance sheet assets and the transaction and other fees earned from our businesses, and we generally do not intend to provide regular earnings guidance. We may also experience fluctuations in our results from quarter to quarter, including our revenue and net income, due to a number of other factors, including changes in the values of our funds' investments, changes in the amount of distributions or interest earned in respect of investments, changes in our operating expenses, the degree to which we encounter competition and general market and economic conditions. We recognize earnings on investments in our funds based on our allocable share of realized and unrealized gains (or losses) reported by such funds and for certain of our recent funds, when a performance hurdle is achieved. During times of market volatility the fair value of our funds and our balance sheet assets are more variable, and as publicly traded equity securities currently represent a significant proportion of the assets of many of our funds and balance sheet assets, volatility in the equity markets may have a significant impact on our reported results. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Fair Value Measurements" for a discussion of the impact of equity markets on the value of private equity investments and "—Difficult market and economic conditions can adversely affect our business in many ways, which could adversely impact our net income, cash flow, financial condition and prospects." A decline in realized or unrealized gains, a failure to achieve a performance hurdle or an increase in realized or unrealized losses, would adversely affect our net income.

Fee income, which we recognize when contractually earned, can vary due to fluctuations in AUM, the number of investment transactions made by our funds, the number of portfolio companies we manage, the fee provisions contained in our funds and other investment products and transactions by our capital markets business. In any particular quarter, fee income may vary significantly due to the variances in size and frequency of monitoring fees (including termination payments), transaction fees or fees received by our capital markets business. For further information on the amount of our total management, monitoring and transaction fees, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Segment Operating Results" and Note 4 "Revenues" in our financial statements.

We may also create new funds or investment products or vary the terms of our funds or investment products, which may alter the composition or mix of our income from time to time. For example, in our private equity funds and other funds since 2014, we have increased the percentage of transaction and monitoring fees that are credited against fund management fees to 100% of the amount of the transaction and monitoring fees attributable to that fund, which results in a decrease of our monitoring and transaction fee income. Our current funds, including all of our current private equity funds, have performance hurdles, which require us to generate a specified return on investment prior to our right to receive carried interest. This requirement will likely be in all our future funds, and the hurdle rate could increase for our future funds.

Our earnings and cash flows are also dependent in part on the performance of KKR Financial Holdings LLC ("KFN"), a specialty finance company that we acquired in 2014, and Global Atlantic, a retirement and life insurance company that we acquired a majority interest in during 2021, and are subject to the risks to these businesses as described elsewhere in the report. Although KFN and Global Atlantic are subsidiaries of KKR, KFN and Global Atlantic each has its own indebtedness outstanding. The terms of their respective indebtedness impose limitations on these companies' current and future operations and may restrict its ability to make distributions to KKR. In addition, Global Atlantic's insurance subsidiaries are also subject to regulatory restrictions that may restrict their ability to make distributions to KKR. Furthermore, block reinsurance transactions will create variability in our financial statements in or for the period in which the transaction is executed, for example by significantly increasing policy benefits in that period, depending on the types of liabilities reinsured. Such fluctuations may lead to variability in the value of interests in our business and cause our results for a particular period not to be indicative of our performance in future periods. It may be difficult for us to achieve steady growth in net income and cash flow on a quarterly basis, which could in turn lead to large adverse movements in the value of interests in our business.

The timing and receipt of carried interest from our investment funds are unpredictable and will contribute to the volatility of our cash flows. For example, with respect to certain investment funds, pursuant to the applicable governing agreements, carried interest is eligible to be distributed to the general partner of the fund with a clawback provision only after all of the following are met: (i) a realization event has occurred (e.g., sale of a portfolio company, dividend, etc.); (ii) the fund has achieved positive overall investment returns since its inception, in excess of performance hurdles where applicable, and is accruing carried interest; and (iii) with respect to investments with a fair value below cost (which we refer to as a netting hole as discussed above), cost has been returned to fund investors in an amount sufficient to reduce remaining cost to the investments' fair value. Even after all of the preceding conditions are met, the general partner of a private equity fund may, in its sole discretion, decide to defer the distribution of carried interest to it to a later date. Carried interest payments from investments depend on our funds' performance and opportunities for realizing gains, which may be limited. It takes a substantial period of time to identify attractive investment opportunities, to raise all the funds needed to make an investment and then to realize the cash value (or other proceeds) of an investment through a sale, public offering or other exit. To the extent an investment is not profitable, no carried interest will be received from our funds with respect to that investment and, to the extent such investment remains unprofitable, we will only be entitled to a management fee on that investment. Furthermore, certain vehicles and separately managed accounts may not provide for the payment of any carried interest at all. Even if an investment proves to be profitable, it may be several years before any profits can be realized in cash. We cannot predict when, or if, any realization of investments will occur. In addition, if finance providers, such as commercial and investment banks, make it difficult for potential purchasers to secure financing to purchase companies in our investment funds' portfolio, it may decrease potential realization events and the potential to earn carried interest. A downturn in the equity markets would also make it more difficult to exit investments by selling equity securities. If we were to have a realization event in a particular quarter, the event may have a significant impact on our cash flows during the quarter that may not be replicated in subsequent quarters. A decline in realized or unrealized gains, or an increase in realized or unrealized losses, would adversely affect our investment income, which could further increase the volatility of our quarterly results. The timing and receipt of carried interest also vary with the life cycle of certain of our funds. For our carry-paying funds that have completed their investment periods and are able to realize mature investments, sometimes referred to as being in a "harvesting period," we are more likely to receive larger carried interest distributions than our carry-paying funds that are in their fundraising or investment periods that precede the harvesting period since those funds are less likely to realize their investments and, even if they did, we are more likely to defer carried interest distributions due to the potential for a clawback. During times when a significant portion of our AUM is attributable to carry-paying funds that are not in their harvesting periods, we may receive substantially lower carried interest distributions. The timing and receipt of incentive fees earned by third-party hedge fund managers in which KKR owns a minority stake as a strategic partner (which we refer to as "hedge fund partnerships") are also highly dependent on the net asset value of these funds, which could add to volatility in our quarterly results and cash flow. See "—Risks Related to the Assets We Manage—Our stakes in our hedge fund partnerships subject us to numerous additional risks".

Additionally, a decline in the pace or size of investment by our funds would result in our receiving less revenue from fees. The transaction and management or monitoring fees that we earn are driven in part by the pace at which our funds make investments and the size of those investments. Any decline in that pace or the size of investments would reduce our revenue from transaction and management or monitoring fees. Likewise, during an attractive selling environment, our funds may capitalize on increased opportunities to exit investments. Any increase in the pace at which our funds exit investments, if not offset by new commitments and investments, would reduce future management fees. Additionally, in certain of our funds that derive management fees only on the basis of invested capital, the pace at which we make investments, the length of time we hold such investment and the timing of disposition will directly impact our revenues. Many factors could cause such a decline in the pace of investment or the transaction and management or monitoring fees we receive, including: (i) the inability of our investment professionals to identify attractive investment opportunities; (ii) competition for such opportunities among other potential acquirers; (iii) unfavorable market and economic conditions; (iv) decreased availability of capital or financing on attractive terms; (v) our failure to consummate identified investment opportunities because of business, regulatory or legal complexities and adverse developments in the U.S. or global economy or financial markets; (vi) terms we may agree with or provide to our fund investors or investors in separately managed accounts with respect to fees such as increasing the percentage of transaction or other fees we may share with our fund investors; and (vii) new regulations, guidance or other actions provided or taken by regulatory authorities.

**Our inability to raise additional or successor funds, to raise funds with as favorable terms as existing funds or raise funds of a comparable size as our existing or predecessor funds, or to raise capital for other investment vehicles could materially and adversely affect our revenues or profitability. KKR.**

Our inability to successfully raise additional or successor funds (or raise successor funds of a comparable size as our predecessor funds), funds, or raise funds with as favorable management fees, expense reimbursement and economic terms, including with respect to transaction fees, management fees or monitoring fees, as compared to existing funds, terms) could materially and adversely affect our revenues or profitability.

In connection with raising new funds or securing additional investments in existing funds, we negotiate terms for such funds and investments with our fund limited partners. The outcome of such negotiations could result in our agreement to terms that are materially less favorable to us than prior terms or terms of funds advised by our competitors. Such terms competitors, which could materially and adversely affect us in a number of ways, including to restrict our ability to raise investment funds with investment objectives or strategies that compete with existing funds, reduce fee revenues we earn, reduce the percentage of profits on third-party capital in which we share, increase the performance hurdle required to be generated on investment prior to our right to receive carried interest, limit the ability of certain investment vehicles to invest alongside our other investment vehicles, add expenses and obligations for us in managing the fund or increase our potential liabilities. Furthermore, as institutional investors increasingly consolidate their relationships with investment firms and competition becomes more acute, we may receive more requests to modify the terms in our new funds. Certain of our newer funds also include more favorable terms for fund investors that commit to early closes for our funds. Additionally, in certain funds, we have agreed to charge management fees based on invested capital or net asset value as opposed to charging management fees based on committed capital. In certain cases, we have provided "fee holidays" "fee holidays" to certain investors during which we do not charge management fees for a fixed period of time (such as the first six months). Certain institutional investors have also publicly criticized certain fund fee and expense structures, including monitoring fees and transaction fees. We have received, and expect to continue to receive, requests from a variety of fund investors and groups representing such investors to decrease fees and to modify our carried interest and incentive fee structures, which could result in a reduction or delay in the timing of receipt of the fees and

carried interest and incentive fees we earn. The SEC has focused on certain fund fees and expenses, including whether such fees and expenses were appropriately disclosed to fund investors, and such focus may lead to increased publicity that could cause fund investors to further resist our receipt of certain fees and expense reimbursements.

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The number of funds and other investment vehicles raising capital varies from year to year, and in years where relatively few of our funds investment vehicles are raising capital, the growth of our AUM, FPAUM and associated fees may be significantly lower. There is no assurance that fundraises for new strategies, or successor funds or other investment vehicles will experience similar success as our existing or predecessor funds or other investment vehicles in the future. Our current private equity funds and certain other funds and investment vehicles have a finite life and a finite amount of commitments from fund investors. Once a fund nears the end of its investment period, our success depends on our ability to raise additional or successor funds in order to keep making investments and, over the long term, earning management fees (although our funds and investment vehicles continue to earn management fees after the expiration of their investment periods, they are generally at a reduced rate). Even if we are successful in raising successor funds, to the extent we are unable to raise successor funds of a comparable size to our predecessor funds or the extent that we are delayed in raising such successor funds, our revenues may decrease as the investment period of our predecessor funds expire and associated fees decrease. The performance of our funds also impacts our ability to raise capital, and deterioration in the performance of our funds or other investment vehicles would result in challenges to future fundraising. Our fundraising may also be negatively impacted by any change in, or rebalancing of, fund investors' asset allocation policies, including without limitation, successor funds raised by us when unfavorable economic or market circumstances exist.

Our ability to attract new capital and investors in our funds investment vehicles is driven, in part, by the extent to which they continue to see the alternative asset management industry generally, and our investment products specifically, as attractive means for capital appreciation or income. Failure or inability to raise capital with insurance sponsored vehicles may adversely impact growth in our insurance business. Our ability to raise new funds investment vehicles could be hampered if the general appeal of alternative asset investments were to decline. An investment in a limited partner interest in an alternative asset fund like private equity is less liquid than an exchange traded instrument and the returns on such investment may be more volatile than an investment in securities for which there is a more active and transparent market. Our ability to raise capital is also highly dependent on market and economic conditions, and adverse conditions could materially and adversely affect our ability to raise capital and, as a result, our financial performance, including, for example, as a result of investor preference for investments in certain of our investment vehicles, waning because investors view other investment opportunities, such as government debt, as producing a higher risk-adjusted return. See "—Risks Related to Our Business—Difficult market and economic conditions can, and periodically do, materially and adversely affect KKR."

Fund investors could seek to redeploy capital away from certain of our credit or other investment vehicles, which permit redemptions on relatively short notice, in order to meet liquidity needs or invest in other asset classes or with other managers. Alternative asset investments could also fall into disfavor as a result of concerns about liquidity and short-term or long-term performance. Although we have expanded the scope of our operations since 2010, to now encompass strategies such as real assets, credit, core, growth, insurance and, through hedge fund partnerships, hedge funds, and although certain of our funds exceeded the size of their respective predecessor funds, fundraising continues to be Fundraising is competitive, and there is no assurance that fundraises for our other flagship investment funds or other investment vehicles or for our newer strategies and their successor funds or other investment vehicles will experience similar success. If we are unable to successfully raise comparably sized or larger funds, our AUM, FPAUM, and associated fees attributable to new capital raised in future periods may be lower than in prior years. There is no guarantee we would be able to raise comparably sized or larger funds as those described in "Business—Our Business."

Institutional investors that have suffered from decreasing returns, liquidity pressure, increased volatility or difficulty maintaining target asset allocations may materially decrease or temporarily suspend making new investments in our investment funds. Such concerns could be exhibited, in particular, by public pension funds, which have historically been among the largest investors in alternative assets. Many public pension funds are significantly underfunded and their funding problems have been, and may in the future be, exacerbated by economic downturn. Concerns with liquidity could cause such public pension funds to reevaluate the appropriateness of alternative assets, and other institutional investors may reduce their overall portfolio allocations to alternative assets. The evolving preferences of our fund investors, including sovereign wealth funds and public pension funds, may necessitate that alternatives to the traditional investment fund structure become a larger part of our business going forward, such as separately managed accounts, democratized investment vehicles, specialized funds and co-investment vehicles, and strategic investor partnerships whereby we manage certain investors' capital across a variety of our products on separately negotiated terms, which could increase our cost of raising capital at the scale we have historically achieved. There can be no assurance that such alternatives will be as profitable to us as the traditional investment fund structure, and the impact such a trend could have on our results of operations, if widely implemented, is unclear. In order to try to satisfy the evolving preferences of investors, we have begun, and will continue, to offer a wide array of investment vehicles and, assuming overall investor demand and available capital for allocations to the alternative asset class remains steady, investor allocations to certain of our investment vehicles may detract from the allocations potentially available to other of our investment vehicles. Moreover, certain institutional investors are demonstrating a preference to in-source their own investment professionals and to make direct investments in alternative assets without the assistance of investment advisers like us. Such institutional investors may become our competitors and could cease to be our clients. All of these factors could result in a smaller overall pool of available capital in our industry or a smaller pool of institutional capital for our traditional closed-end funds.

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In addition, the asset allocation rules or regulations or investment policies to which such third-party investors are subject could inhibit or restrict the ability of third-party investors to make investments in our investment funds. In addition to federal law, changes in state and local law may limit investment activities of state pension plans and insurance companies. Coupled with a lack of distributions from their existing investment portfolios, many of these investors may have been left with disproportionately outsized remaining commitments to, and invested capital in, a number of investment funds, which may significantly limit their ability to make new commitments to third-party managed investment funds such as those advised by us.

There is no assurance that the amount of commitments investors are making to alternative asset funds vehicles will continue at recent levels or that our ability to raise capital from investors will not be hampered. Any of these developments could materially and adversely affect our future revenues, net income, cash flow or financial condition, performance.

**The investment management and insurance businesses are intensely competitive, and this competition could have a material adverse impact on our business. competitive.**

We compete for both investors and investment opportunities, opportunities and business in both our asset management business and in our insurance business. Our asset management business is highly fragmented, with our competitors consisting primarily of sponsors of public and private investment funds, real estate development companies, business development companies, investment banks, commercial finance companies and operating companies acting as strategic buyers of businesses. The insurance market is also highly fragmented, with our competitors consisting of insurance companies, reinsurance companies and other financial institutions that offer investment products. We believe that competition for fund investors in our investment vehicles is based primarily on: (i) investment performance; (ii) investor liquidity and willingness to invest; (iii) investor perception of investment managers' managers' drive, focus and alignment of interest; (iv) business reputation; (v) the duration of relationships with fund investors; (vi) the quality of services provided to fund investors; (vii) pricing (including fund investment terms, fees and expense reimbursement); (viii) the relative attractiveness of the types of investments that have been or will be made; and (ix) consideration for environmental, social and governance issues. We believe that

competition for investors in our insurance products is based primarily on: (i) price; (ii) terms and conditions; (iii) relationships; (iv) quality of service and execution certainty; (v) capital and perceived financial strength (including third-party ratings); (vi) technology, innovation and ease of use; (vii) breadth of product offerings; and (viii) reputation, experience and brand recognition. We believe that competition for investment opportunities is based primarily on the pricing, terms and structure of a proposed investment and certainty of execution.

A number of factors serve to increase our competitive risks, including, without limitation, including:

- a number of our competitors in some of our businesses may have greater financial, technical, marketing and other resources and more personnel than we do and, in the case of some asset classes or geographic regions, longer operating histories, more established relationships, greater expertise or better reputation;
- with respect to our insurance business, many of our competitors are large and well-established, and some have greater market share or breadth of distribution, assume a greater level of risk while maintaining financial strength ratings, or have higher financial strength, claims-paying or credit ratings than Global Atlantic does, or benefit by offering various lines of insurance, from diversification of risks and possible positive impacts on capital requirements;
- with respect to our insurance business, technological advancements and innovation are occurring at a rapid pace in distribution, underwriting, recordkeeping, advisory, claims and operations, and that pace may increase, particularly as other companies increasingly use data analytics and technology as part of their business strategy, which could require our insurance business to incur additional costs to maintain its competitive position;
- fund investors may materially decrease their allocations in new funds investment vehicles due to their experiences following an economic downturn, the limited availability of capital, regulatory requirements or a desire to consolidate their relationships with investment firms;
- some of our competitors may have agreed to terms on their investment funds or products that are more favorable to fund investors than our funds or products, such as lower management fees, greater fee sharing or higher performance hurdles for carried interest, and therefore we may be forced to match or otherwise revise our terms to be less favorable to us than they have been in the past; past and, further, some of our competitors may be willing to pay higher placement fees in order to gain distribution of their private wealth products;
- some of our funds may not perform as well as competitors' funds or other available investment products;
- our competitors have raised or may raise significant amounts of capital, and many of them have similar investment objectives and strategies to our funds, which may create additional competition for investment opportunities and may reduce the size and duration of pricing inefficiencies that many alternative investment strategies seek to exploit;

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- some of these competitors may also have a lower cost of capital and access to funding sources that are not available to us, which may create competitive disadvantages for us with respect to investment opportunities;
- some of our competitors may have higher risk tolerances, different risk assessments or lower return thresholds, which could allow them to consider a wider variety of investments and to bid more aggressively than us for investments;
- some of our competitors may be subject to less regulation or less regulatory scrutiny and accordingly may have more flexibility to undertake and execute certain businesses or investments than we do and/or bear less expense to comply with such regulations than we do;
- there are relatively few barriers to entry impeding the formation of new funds, including a relatively low cost of entering these businesses, and the successful efforts of new entrants into our various lines of business, including major commercial and investment banks and other financial institutions, have resulted in increased competition;
- some fund investors may prefer to invest with an investment manager that is not publicly traded, is smaller or manages fewer investment products; and
- other industry participants will from time to time seek to recruit our investment professionals and other employees away from us; us;
- the use of generative artificial intelligence tools by our competitors may disrupt our industry and existing business models, including ours; and



- we may be unable to adequately protect KKR's brand, logo, or intellectual property in the U.S. or foreign countries, which may result in its infringement, misappropriation or diminishment.

We may lose investment opportunities in the future if we do not match investment prices, structures and terms offered by competitors. Our competitors for investment opportunities that are corporate buyers may be able to achieve synergistic cost savings in respect of an investment, which may provide them with a competitive advantage in bidding for an investment. Alternatively, we may experience decreased investment returns and increased risks of loss if we match investment prices, structures and terms offered by competitors. Moreover, as a result, if we are forced to compete with other investment firms on the basis of price, we may not be able to maintain our current fund fee, carried interest or other terms. There is a risk that fees and carried interest in the alternative investment management industry will decline, without regard to the historical performance of a manager. Fee or carried interest income reductions on existing or future funds, without corresponding decreases in our cost structure, could materially and adversely affect our revenues and profitability.

In addition, if interest rates were to rise or if market conditions for competing investment or insurance products become or are more favorable, and such products begin to offer rates of return superior to those achieved by our funds, investment vehicles or insurance products, the attractiveness of our funds investment vehicles or insurance products relative to investments in other investment products could decrease. This competitive pressure could materially and adversely affect our ability to make successful investments, and limit our ability to raise future funds either or write new insurance policies and result in increased policy surrenders, any of which would adversely impact our business, results of operations and cash flow.

**We are subject to increasing focus by some of our fund investors, stockholders, regulators and other stakeholders on environmental, social and governance matters.**

Our fund Some investors in our investment vehicles, stockholders, regulators and other stakeholders are increasingly focused on ESG matters. For example, certain fund sustainability matters, such as climate change and environmental stewardship, diversity, equity and inclusion ("DEI"), human rights, support for local communities, corporate governance and transparency, or other environmental- or social-related areas. Certain of these investors including public pension funds, consider our record of, responsible investing, as well as our and approach to, responsible investing, in determining whether to invest in our funds. investment vehicles. Certain fund investors generally have also demonstrated increased activism with respect to existing investments, investing, including by urging alternative asset managers to take (or refrain from taking) certain actions that could adversely impact the value of an investment or refrain from taking certain actions that could improve the value of an investment. At and at times fund investors have conditioned future capital commitments on the taking or refraining from taking of such actions. Increased focus and activism related to ESG and similar sustainability matters may constrain our capital deployment opportunities. Similarly, certain of our current and prospective stockholders and other potential fund investors, particularly institutional investors, use or may use third-party benchmarks or scores to measure our ESG responsible investment practices and to decide whether to invest in our common stock or engage with us regarding our practices. If our ESG scores or practices do not make an investment, and failure to meet the their standards set by such stockholders or potential investors, they may choose not to invest in our common stock or funds, materially and we may face reputational challenges, adversely affect us. There can be no assurance that we will be able to accomplish any ESG sustainability-related goals or commitments that we have announced or may announce in the future, as such statements regarding such goals and commitments are, or reflect, our plans and estimates, aspirations and/or expectations only at the time of announcement announcement. More broadly, there can be no assurance that our responsible investment policies and do procedures will remain unchanged because we continuously review our approach to these issues. Thus, such policies and procedures could change, even materially, or may not guarantee achievement be applied to a particular investment. KKR may determine at any time that it is not feasible or practical to implement or complete certain of such plans

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its sustainability-related initiatives, policies, and aspirations within procedures based on considerations relating to particular business, regulatory, policy, geopolitics, cost, timing, or other considerations. Growing interest on the timelines we announce 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 at all, 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 new fundraises, impair us, including on our ability to maintain the size of reputation.

Although we view our funds, sustainable investing approach as a tool for value creation and negatively affect the price of our common stock.

We, our funds and their portfolio companies risk damage to our brands and reputations, if we or they do not, or are perceived to not, act responsibly in a number of areas, such as diversity, equity and inclusion, human rights, climate change and environmental stewardship, support for local communities, corporate governance and transparency, or other environmental- or social-related areas. Adverse incidents in these areas could impact the value of our brand, the brand of our funds or their portfolio companies, or the cost of our or their operations and relationships with investors, all of which could adversely affect our business and results of operations. Further, protection, different stakeholder groups have divergent views on ESG matters, including in the countries in which KKR operates and invests, as well as in merits of integrating sustainability considerations into the states investment process. This divergence exists across the jurisdictions and localities where KKR serves operates, in which case it may result in conflicting sustainability-related regulations and legal frameworks which increases our compliance costs and our risk of non-compliance. The increased regulatory and legal complexity and heightened risk of public sector clients. This divergence increases the risk that any action or lack thereof with respect to ESG matters will be perceived negatively by at least some stakeholders and adversely scrutiny could impact our reputation and business. Anti-ESG sentiment lead to increased inquiries, investigations, and reactive stakeholder engagements.

Additionally, our business could be adversely affected if we or our portfolio companies fail to comply with applicable ESG regulations. If regulators enact new rules, disagree with our responsible investing procedures or standards, or require methodology that is different from our current practice, it may materially and adversely affect us in various ways, including the incurrance 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 gained some momentum across 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 may materially and adversely affect us, including the following:

- In the United States, with 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, which, if adopted, would require climate-related disclosures 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 states having enacted ESG-related rules have been finalized or proposed, "anti-ESG" policies or legislation, or issued related legal opinions. For example, (i) boycott bills including proposals that affect the manner in which asset managers and portfolio companies operate within the EU and also, in certain states target financial institutions that are perceived as "boycotting" or "discriminating against" companies circumstances, outside the EU, including also mandatory disclosure and reporting requirements, which supplement the disclosure framework set out in certain industries (e.g., energy and mining) and prohibit state entities from doing business with such institutions and/or investing the state's assets (including pension plan assets) through such institutions; and (ii) ESG investment prohibitions in certain states require that relevant state entities or managers/administrators of state investments make investments based solely on pecuniary factors without consideration of ESG factors. If investors subject to such legislation viewed our funds or ESG practices as being in contradiction of such "anti-ESG" policies, legislation or legal opinions, such investors may not invest in our funds, our ability to maintain the size Sustainable Finance Disclosure Regulation ("SFDR") (which many of our funds could be impaired, as well as our Irish AIFMs are currently subject to, including funds subject to the transparency requirements under Articles 8 and 9 of SFDR) and the Corporate Sustainability Reporting Directive ("CSRD"), 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 could negatively affect the price of our common stock. If we do not successfully manage ESG-related expectations across these varied stakeholder interests, it could erode stakeholder trust, impact our reputation, 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 constrain our risk management processes and disclosures, together with enhanced disclosure and reporting, and have also issued enhanced rules for certain investment opportunities. In addition, investors may decide not to commit capital to future fundraises as a result of their assessment of our approach to, vehicles on general ESG risk management and consideration of, ESG matters, disclosure.

Globally, a lack of harmonization in relation to ESG legal and regulatory reform across the jurisdictions in which we operate may affect our future implementation of, and compliance with, rapidly developing ESG standards and requirements. Generally, we expect investor demands and the prevailing legal environment to require us to devote additional resources to ESG matters in our review of prospective investments and management of existing investments, which will increase our expenses. Additionally, collecting, measuring, and reporting ESG 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 both at firm level and at product level, as well as challenges related to product classification. Certain regulations took effect in 2021 and 2022, with additional regulations coming into effect over the course of 2023 and beyond. Moreover, several European jurisdictions impose additional restrictions around the offer of ESG funds through labelling, disclosure or marketing requirements at both the fund and asset management level. The BMA, with whom Global Atlantic's Bermuda insurance subsidiaries are licensed to conduct insurance business, recognizes the importance of managing climate risk for commercial insurers. The BMA has a focus on corporate governance, particularly board governance, and risk management practices, including own risk solvency assessment and climate risk scenario analysis. There has been increased regulatory focus on the ESG-related practices and impacts of investment managers. For example, in 2022, the SEC commenced enforcement actions against at least two investment advisers relating to ESG disclosures and policies and procedures failures, which involved imposing fines. Also, in 2022, the SEC and its staff promulgated examination priorities and observations that specifically identified private fund managers as a priority, together with ESG-related advisory services and investment products, including the standards of conduct for broker-dealers and investment advisers. Generally, we expect investor demands and the adviser's fiduciary duties. The examination priorities highlight the SEC's continued focus on many of the areas described above. We expect that there will be a greater level of enforcement activity in this area in the future.

Additionally, recently enacted ESG-regulations include the following:

- In Europe, the EU has implemented several ESG-related regulations and introduced prevailing legal environment to require us to devote additional ESG-related regulatory proposals that affect the manner in which asset managers operate within the EU and also, in certain circumstances, outside the EU. Among others, such regulations and regulatory proposals seek to increase ESG transparency by extending the scope of mandatory ESG reporting, classifying financial products on a sustainability scale, enhancing the transparency and comparability of ESG benchmark methodologies, and establishing a due diligence duty for companies to account for negative ESG impact in their operations and value chains.
- On June 2020, the Official Journal of the European Union published a classification system that establishes a list of environmentally sustainable economic activities and sets out four overarching conditions that an economic activity has to meet in order to qualify as environmentally sustainable (the "Taxonomy Regulation"). The Taxonomy Regulation introduces mandatory disclosure and reporting requirements and supplements the framework set out in the Sustainable Financial Disclosure Regulation ("SFDR"), as supplemented by additional regulations, which, among others, requires certain disclosures in relation to whether and, if so, how sustainability risks and negative impacts on environmental and social factors are taken into account in the investment process. Financial products that have a sustainable investment objective or which promote environmental or social characteristics have an obligation to disclose such an objective or characteristics in pre-contractual disclosures and report on an ongoing basis their performance in achieving those commitments, among other things. The Commission Delegated Regulation (EU) 2022/1288, which was published in April 2022, supplements the SFDR with regard to the principle of "do no significant harm," specifying the content, methodologies and presentation of information regarding sustainability indicators and adverse sustainability impacts, and the content and presentation of information regarding the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports.
- In January 2023, the Corporate Sustainability Reporting Directive ("CSRD") came into force. The CSRD introduces more detailed sustainability reporting requirements, including but not limited to the resilience of a company's business model and strategy in relation to risks relating resources to sustainability matters in our review of prospective investments and alignment management of a company's business model and strategy with a transition to a 1.5°C temperature rise scenario in line with the Paris Agreement goals, the board's role with regard to sustainability matters and its expertise and skills on such matters, policies and due diligence relating to sustainability matters, a description of the principal risks relating to sustainability matters, and key performance indicators used to monitor these issues. The CSRD also significantly expands the number of EU companies subject to the EU's sustainability reporting framework, and also applies to certain non-EU companies generating a net turnover of



more than €150 million in the EU (on a consolidated or individual basis) and with a subsidiary or branch in the EU. Application of the CSRD existing investments, which will take place in four stages, beginning on January 1, 2024 for companies already covered by certain reporting frameworks, January 1, 2025 for other large undertakings, January 1, 2026 for listed small and medium-sized enterprises, and January 1, 2028 for in-scope non-EU companies. The CSRD is not limited to climate and environmental issues, but also includes factors related to social and corporate governance, such as equality, human rights, and fair working conditions. In addition, the CSRD requires external auditing and assurance of sustainability reports and is expected to implement mandatory ESG standards with more detailed reporting requirements. EU member states have until July 6, 2024 to integrate the CSRD into national law.increase our expenses.

■ In Asia, regulators in Singapore and Hong Kong have introduced requirements for asset managers to integrate climate risk considerations in investment and risk management processes, together with enhanced disclosure and reporting, beginning in 2022. Hong Kong has also issued enhanced rules for ESG funds sold to retail investors and guidelines for pension trustees on ESG risk management and disclosure.[Table of Contents](#)

Furthermore, U.S. and global regulatory proposals related to ESG continue to emerge:

- In 2022, the SEC also proposed extensive rules aimed at enhancing and standardizing climate-related disclosures in an effort to foster greater consistency, comparability and reliability of climate-related information among public issuers. The proposal, if adopted, would require domestic registrants and foreign private issuers to include prescribed climate-related information in their registration statements and annual reports substantially beyond what is currently required, including data regarding greenhouse gas emissions and information regarding climate-related risks and opportunities and related financial impacts, governance, and strategy.
- In May 2022, the SEC proposed rules regarding, among others, enhanced disclosure requirements for investment managers regarding the ability to market funds as green, sustainable or ESG-focused and the incorporation of ESG factors by registered investment companies and advisers.
- In February 2022, the European Commission published its proposal for the Corporate Sustainability Due Diligence Directive ("CSDD"), which will intensify scrutiny of human rights and environmental diligence systems for companies and establish a due diligence duty for companies to account for negative ESG impacts in their operations and chain of activities by implementing a strategy to identify, prevent, end or minimize, and account for adverse human rights and environmental impacts. If adopted as proposed, the CSDD will affect large EU companies and large non-EU companies active in the EU (depending on turnover, number of employees and operations in certain "high-risk" sectors). The UK has the stated policy goal to introduce mandatory TCFD reporting by 2025 for UK regulated firms and corporates. The regime captures (amongst others) any firm providing portfolio management (which includes managing investments or private equity or other private market activities consisting of either advising on investments or managing investments on a recurring or ongoing basis in connection with an arrangement which aims to invest in unlisted securities) where the assets under management exceed £5 billion calculated as a three-year rolling average.

If regulators enact the above referenced rules or additional ESG-related rules, or disagree with the procedures or standards we use for ESG investing and reporting, or if new regulation requires a methodology of measuring or disclosing ESG impact that is different from our current practice, it may place strain on our personnel, systems and resources, our business and reputation could be adversely affected and we may incur significant compliance costs. Growing interest on the part of investors and regulators in ESG factors and increased demand for, and scrutiny of, ESG-related disclosure by asset managers and fund investors, have also increased the risk that asset managers could be perceived as, or accused of, making inaccurate or misleading statements regarding their ESG-related investment strategies or their and their funds' ESG efforts or initiatives, often referred to as "greenwashing." Such perception or accusation could damage our reputation, result in litigation or regulatory actions, and adversely impact our ability to raise capital. See also "— Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect our business."

**Changes in relevant tax laws, regulations or treaties or an adverse interpretation of these items by tax authorities could adversely impact our effective tax rate and tax liability.**

Our effective tax rate and tax liability is based on the application of current income tax laws, regulations and treaties. These laws, regulations and treaties are complex, and the manner which they apply to us and our funds investment vehicles is sometimes open to interpretation. Significant management judgment is required in determining our provision for income taxes, our deferred tax assets and liabilities and any valuation allowance recorded against our net deferred tax assets. Although management believes its application of current laws, regulations and treaties to be correct and sustainable upon examination by the tax authorities, the tax authorities could challenge our interpretation resulting in additional tax liability or adjustment to our income tax provision that could increase our effective tax rate. Tax laws, regulations or treaties newly enacted or enacted in the future may cause us to revalue our net deferred tax assets and have a material change to our effective tax rate and tax liabilities.

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 we or our portfolio companies are required to pay. The U.S. Federal government has recently 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 new non-deductible 1% excise tax on net stock repurchases made by certain publicly traded corporations like us after December 31, 2022, and modifies certain clean energy investment tax credits and allocates additional funds to enhance the frequency and breadth of audits and other enforcement actions. credits. These changes could materially increase the amount of taxes and tax-related regulatory and compliance costs we and our portfolio companies are required to pay. For example, increases in the corporate tax rate may adversely impact the cash flow of our portfolio companies and result in our funds' investment vehicles' selling those assets at values that are less than we projected, which could in turn have negative impact to the investment fund's vehicle's performance and to the pace of realizations. Further, final regulations relating to compensation for certain covered employees under Section 162(m) could meaningfully reduce the amount of related tax deductions available to us.

Additionally, foreign, and state and local governments may enact laws that could result in further changes to foreign, and state and local taxation and materially affect our financial position and results of operations. In particular, New York State may propose regulations that could significantly affect the determination of the tax base for New York State tax purposes for corporations that conduct an asset management business like us. Other changes that could be enacted in the future, including changes to tax laws enacted by state or local governments us in jurisdictions in which we or our portfolio companies operate, could result in further changes to state and local taxation and materially adversely affect our financial position and results of operations. operate.

In addition to general tax law changes discussed above, there could be significant changes in U.S. federal, state, local or foreign tax law, regulations or interpretations that could adversely affect the taxation of carried interest, which could have an adverse effect on our ability to recruit, retain and motivate employees and key personnel. Investments generally must be held for more than three years for carried interest to be treated for U.S. federal income tax purposes as capital gain. The holding period requirement may result in some of

our carried interest being taxed as ordinary income to our U.S. employees and other key personnel, which could materially increase the amount of taxes that they would be required to pay and may incentivize employees to hold investments for longer periods. This may create a conflict of interest between **fund investment vehicle** investors (whose investments would receive such capital gain treatment after a holding period of only one year) and the general partner on the execution, closing or timing of sales of **a fund's** investments in connection with the receipt of carried interest.

Multi-national companies, such as us, continue to be a focus by the U.S. Congress, the Organization for Economic Co-operation and Development (the "OECD") and other government agencies in jurisdictions in which we and our affiliates invest or do business. The OECD, which represents a coalition of member countries, is contemplating changes to numerous long-standing tax principles through its base erosion and profit shifting ("BEPS") project, which 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. **Several of the proposed measures, including measures covering treaty abuse (including an anti-abuse "principal purpose" test The OECD also recently finalized guidelines that would deny treaty benefits recommend certain multinational enterprises to the extent that obtaining such benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in such benefit), the deductibility of interest expense, local nexus requirements, transfer pricing and hybrid mismatch arrangements are potentially relevant be subject to some of our structures and could have an adverse a minimum 15% tax impact on our funds, investors and/or our portfolio companies. Some member countries have been moving forward on the BEPS agenda but, because timing of implementation and the specific measures adopted will vary among participating states, significant uncertainty remains regarding the impact of BEPS proposals. If implemented, these and other proposals could result in a loss of tax treaty benefits and increased taxes on income rate, effective from our investments. In addition, the OECD is working on a two pillar initiative, "BEPS 2.0", which is aimed at (1) shifting taxing rights to the jurisdiction of the consumer ("Pillar One") and (2) ensuring all companies pay a global minimum tax 2024 ("Pillar Two"). For**

**Various countries other than have implemented or intend to implement the U.S., the OECD OECD's recommended model rules for Pillar Two in late 2021. On December 15, 2022, rules. By way of example, the Council of the European Union formally adopted Pillar Two requiring and required all 27 EU member states to adopt local legislation during 2023 to implement Pillar Two as rules that apply in respect of January 1, 2024. Other countries or jurisdictions may implement the recommended model rules as drafted, in a modified form, or not at all, fiscal years beginning from December 31, 2023. Our business and our sponsored vehicles' and portfolio companies' businesses could be significantly impacted if the model rules, or any future variation, are have been or will be implemented in any of the countries in which our business, our portfolio companies' businesses, or our investment structures are located. Effective tax rates could increase within our business, our portfolio companies' businesses, or our 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 may also lead to an increase in the complexity, burden and cost of tax compliance. Given ongoing design, implementation and administration, the timing, scope, and scope impact of any provisions relevant domestic legislation or multilateral conventions remain subject to significant uncertainty. Among the significant items that remain uncertain is the treatment of taxes paid by U.S. companies on non-U.S. income under the U.S. Global Intangible Low-Taxed Income ("GILTI") regime.**

See Note **19 18** "Income Taxes" in our financial statements for further information regarding various tax matters.

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**We depend on the efforts, skills, reputations, business contacts, and conduct of our founders employees and other key personnel, the loss of whose services could have a material adverse effect on our business, results of operations ability to retain our employees and financial condition. to recruit prospective employees.**

We depend on the efforts, skills, reputations and business contacts of our employees, including our Co-Founders, Co-Chief Executive Officers and other key personnel, the information and deal flow they and others generate during the normal course of their activities and the synergies among the diverse fields of expertise and knowledge held by our professionals. **Accordingly, Our success is highly dependent upon our success depends on the continued service of these individuals, employees and other key personnel, who are not obligated to remain employed with us. The loss of services of any key personnel could also could harm us, and to a substantial degree on our ability to maintain or grow AUM in existing funds or raise additional funds in the future.**

**retain and motivate our employees and other key personnel and to strategically recruit, retain and motivate new talented employees, including qualified investment professionals.**

Our employees and other key personnel possess substantial experience and expertise and have strong business relationships with investors in our **investment funds and distributors of our other investment vehicles** and other members of the business community. As a result, the loss of these personnel could jeopardize our relationships with **investors in our funds these individuals and members of the business community and entities, result in the reduction of AUM or fewer investment opportunities. For example, if any of our key personnel were to join opportunities, or form a competing firm, our business, results of operations and financial condition could suffer. Global Atlantic's business similarly depends on the ability to attract and retain experienced insurance professionals in the jurisdictions where it operates. Global Atlantic does not have a captive distribution force. If Global Atlantic is render us unable to recruit, onboard and retain insurance professionals, Global Atlantic may not be able to maintain its operations and support growth of our businesses. The loss of services of any key personnel could also harm our ability to maintain or grow AUM in existing investment vehicles or raise additional funds in the business. future.**

Furthermore, the agreements governing our committed capital funds generally provide that in the event certain "key persons" (for example, investment professionals who are named as "key executives" for certain geographically or product focused **funds) investment vehicles) cease to actively manage a fund an investment vehicle or be substantially involved in KKR activities, investors in the fund investment vehicle will be entitled to reduce, in whole or in part, their capital commitments available for further investments on an investor-by-investor basis. In the case of certain many of our fully paid-up funds, investors may be permitted to terminate their investment in the event a "key persons" provision is triggered, which could lead to the liquidation of those funds. In addition, the occurrence of such a "key person" event could cause us to agree to less favorable ongoing terms with respect to the affected fund. Although we periodically engage in discussions with the limited partners of our funds regarding a waiver of such provisions with respect to executives involved in geographically or product focused funds whose departures have occurred or are anticipated, such waiver is not guaranteed, and our limited partners' refusal to provide a waiver may have a material adverse effect on our revenue, net income business and cash flow. financial results.**

**Our insurance business similarly depends on the ability to attract and retain experienced insurance professionals in the jurisdictions where it operates. Global Atlantic does not have a captive distribution force and depends on the ability to attract and retain experienced insurance professionals in the jurisdictions where it operates. If Global Atlantic is unable to recruit, onboard and retain insurance professionals, Global Atlantic may not be able to maintain its operations and support growth of the business.**

Our most important asset is our people, and our continued success is highly dependent upon the efforts of our employees and other key personnel. If we cannot retain and motivate our employees and other key personnel and recruit, retain and motivate new employees and other key personnel, our business results of operations and financial condition could may be materially and adversely affected.

Our most important asset is our people, and our continued success is highly dependent upon the efforts of our employees and other key personnel, and to a substantial degree on our ability to retain and motivate our employees and other key personnel and to strategically recruit, retain and motivate new talented employees, including qualified investment professionals. However, we may not be successful in these efforts as the The market for talented and qualified candidates is extremely competitive. Our ability to recruit, retain and motivate our employees is dependent on our ability to offer highly attractive incentive opportunities, compensation and benefits, some of which could be adversely impacted by any changes in regulation or tax law that impacts certain forms of compensation incentives or other remuneration that we may typically offer employees, such as carried interest. For example, we allocate carried interest to our employees, and if tax laws alter the favorable tax characteristics of carried interest, then the value of the carry as an incentive tool is materially diminished. See "—Changes in relevant tax laws, regulations or treaties or an adverse interpretation of these items by tax authorities could adversely impact our effective tax rate and tax liability." Furthermore, clawback provisions related to our equity incentive awards may render such compensation less attractive. The loss of any incentive compensation tools may cause us to incur additional expenses to pay competitively with other firms. The loss of even a small number of our investment professionals could jeopardize the performance of our funds and other investment products, which would have a material adverse effect on our results of operations. Efforts to retain or attract employees, including our investment professionals, may result in significant additional expenses, which could materially and adversely affect KKR. In addition, our profitability.

Many ability to successfully identify, hire, and promote employees may be impacted by legal and judicial developments outside of our control and may necessitate changes to employment practices. For example, some advocacy groups and state attorneys general have asserted that the U.S. Supreme Court's decision striking down race-based affirmative action in higher education in June 2023 should be analogized to private employment matters and private contract matters, and scrutiny of certain corporate DEI practices since this decision have been increasing.

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As noted above, one of the ways we recruit, retain and motivate our employees hold interests in our carry pool through KKR Associates Holdings L.P. Depending on is by allocating a fund's vintage, 40%, 43% or 65% portion of the carried interest earned that we earn from our investment funds are allocated to KKR Associates Holdings L.P., vehicles, which we refer to as the carry pool, from which carried interest is allocable to our current and former employees and other persons. pool. There can be no assurance that the carry pool will have sufficient cash available to continue to make cash payments in the future, and fluctuations from the distributions generated from the carry pool if not offset by funds from other sources, including other performance-based income, could render the compensation that KKR separately pays to them to be less attractive. In any of these circumstances, a higher percentage of in order to retain and motivate our revenue employees, we may be required to be paid as pay these employees a higher amount of cash compensation to retain and motivate them than we otherwise would have paid, which could have a material adverse impact on would increase our profit margins, compensation expense. We are not permitted under our certificate of incorporation to increase the percentage of carried interest allocable to the carry pool without the consent of a majority of our independent directors. In the future, if less carried interest from the carry pool is allocated to employees, this may result in less cash payments to employees. To the extent the carried interest allocated to the carry pool decreases, we may be limited in our ability to attract, retain and motivate talented employees and other key personnel and we may need to increase the level of cash compensation that we pay.

Additionally, we have granted and expect to continue to grant equity awards from our Equity Incentive Plans, equity incentive plans, which has caused and will cause dilution. If we increase the use of equity awards in the future, expense associated with equity-based compensation may increase materially. See "Executive Compensation—Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table." The value of the equity awards may drop or be volatile, which may make our equity less attractive to our employees. Regulations may also impose restrictions on our equity compensation. For example, in 2022,

2023, the SEC adopted rules related to incentive-based compensation "clawback," subject to which were then implemented through final stock exchange rules. In the future, rules which such as these may result in us substantially revising our compensation strategy, increase our compensation and other costs and may materially and adversely affect our ability to recruit and retain qualified employees. Additionally, the in the EU, clawback of compensation may apply in certain circumstances. To the extent our equity incentive programs are not effective, we may be limited in our ability to attract, retain and motivate talented employees and other key personnel and we may need to increase the level of cash compensation that we pay.

In addition, We seek to retain our senior employees by having them agree to a confidentiality and restrictive covenant agreement. However, there is no guarantee that the confidentiality and restrictive covenant agreements to which our executives, employees and other key personnel they are subject, together with our other arrangements with them, will prevent them from leaving us, joining our competitors or otherwise competing with us. Depending on which entity is a party to these agreements and/or the laws applicable to them, we may not be able to, or may choose not to, enforce them or become subject to lawsuits or other claims, and certain of these agreements might be waived, modified or amended at any time without our consent. In January 2023, the Many U.S. Federal Trade Commission ("FTC") announced a Notice of Proposed Rulemaking for a broad states and countries in which we operate have proposed, considered, or have already adopted, laws and rules which significantly limit or ban on noncompete clauses between employers and workers. Specifically, the proposed rule would make it illegal for an employer to, among other things, enter into or attempt their employees, which could both limit our ability to enter into a noncompete with a worker; maintain a noncompete with a worker; or represent such restrictive covenants and our ability to a worker, under certain circumstances, that the worker is subject to a noncompete. Any such changes in law or regulation could materially adversely affect our business, enforce them. Even where enforceable, these agreements expire after a certain period of time, at which point each of our executives, employees and other key personnel are will be free to compete against us and solicit us.

Our commitment to maintain an inviting work environment significantly supports our fund investors and employees. See "Certain Relationships and Related Transactions, and Director Independence—Confidentiality and Restrictive Covenant Agreements."

Furthermore, we also rely significantly on consultants and other contingent workers, and our failure to effectively manage this workforce could adversely affect our results of operations. Our ability to manage the costs associated with engaging a contingent workforce may also be impacted by more stringent labor rights laws in the future.

recruit and retain employees and maintain our culture. We strive to maintain a work environment that reinforces our culture of collaboration, inclusiveness, motivation and alignment of interests with fund investors. Growth and expansion of our businesses has necessitated extensive hiring of new employees over the last few years. While we are focused on the importance of maintaining our culture when making hiring decisions, rapid expansions of our employee headcount do present challenges to maintaining our culture, including, after a hire is made, continuing to ensure that the hire is integrated into our firm culture. If we do not continue to develop and implement the right processes and tools to manage our changing enterprise an inviting work environment and maintain our culture, our ability to compete successfully and achieve our business objectives could be impaired, which could materially and adversely affect our business, results of operations and financial condition.

Operational risks, including those On the other hand, our business could be damaged by the misconduct of our employees. We depend to a large extent on our business relationships and our reputation for integrity and high-caliber professional services to attract and retain fund investors and qualified professionals and to pursue investment opportunities for our investment vehicles. Misconduct by our employees could impair our ability to retain and recruit our employees, to attract and retain clients and may subject us to significant legal liability and reputational harm. For example, we are subject to substantial regulatory and contractual obligations and standards arising from our business, such as fiduciary duties, regulatory and legal obligations and confidentiality, relating to third parties who provide services the assets we manage. The violation of these obligations or standards by any of our employees would adversely affect our clients and us. Our current and former employees may also become subject to us, allegations of sexual harassment, racial and gender discrimination or other similar misconduct, which, regardless of the ultimate outcome, may disrupt our businesses, result in losses adverse publicity that could significantly harm our reputation. Furthermore, our business often requires that we deal with confidential matters with respect to our investment opportunities and completed investments. If our employees were improperly to use or limit our growth, disclose confidential information, we could become subject significant litigation or investigations, including with respect to violations of applicable securities laws. It is not always possible to detect or deter such misconduct, and the precautions we take may not be effective in all cases.

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Our employees frequently engage in manual individual processes, which bear varying levels of execution risk, including the risk of unintentional mistakes or errors, which could materially and adversely affect us. See also “—Risks Related to Our Business—We rely significantly on third-party service providers and other intermediaries, which exposes us to operational, reputational and other risks that could materially and adversely affect KKR.”

**We rely heavily significantly on third-party service providers and other intermediaries, which exposes us to operational, reputational and other risks that could materially and adversely affect KKR.**

We rely on third parties whom we do not control for significant operational support and assistance with other aspects of our financial, business, including for various operational, accounting, and other data processing processes and systems and as well as on the systems of third parties who provide services to us. Other aspects of our business that depend on the services of third parties include law firms, accounting firms, prime brokers, custodians, escrow agents, placement agents, distribution partners, administrators and other consultants and agents to carry out administrative or other services, including insurance policy administration, securities transactions, recordkeeping, tax preparation, government filings, paying agent services, trustee services, technology services, administration services, and tax and accounting services. If any of these processes or systems do not operate properly, are disabled or not appropriately updated, or if the third parties' services are erroneous, sub-standard or otherwise deficient, we could suffer financial loss, a disruption of our businesses, liability to us or our various investment vehicles, regulatory intervention, fines, sanctions or reputational damage.

In addition, certain third-party service provider relationships, including those where services are provided to our registered investment advisers or broker dealer subsidiaries, we operate may be held liable if those service providers, their employees or their own third-party service providers are found to have violated regulations or engaged in businesses misconduct. There can be no assurances that are highly dependent on information systems and technology, we or one of our investment vehicles will not experience, directly or indirectly, such negative impacts or otherwise be subject to or implicated by litigation or investigations involving any possible violation of such laws by such third-party service providers. For example, we face operational risk or our investment vehicles may enter into agreements with third parties under which such parties will be entitled to indemnification under certain circumstances, including with respect to sanctions, fines, or penalties, including civil damage actions, imposed in connection with their activities related to our investment vehicles' investments.

If we elect to replace any of these third-party service providers, we may incur costs or business disruptions in connection with finding, retaining and operationalizing suitable new providers. In addition, the time and attention of our senior management may be diverted away from errors made ongoing business operations. From time to time, service disruptions have affected our products. For example, Global Atlantic has settled policyholder and agent class action litigation matters and a number of regulatory matters stemming from service disruptions caused by our third-party administrator for life insurance policies. In addition, periods of rapid sales of Global Atlantic's products have resulted and may in the execution, confirmation or settlement of transactions future result in service disruptions, which may cause significant financial and reliance on manual processes in certain circumstances. We also face operational risk reputational harm and draw increased scrutiny from transactions not being properly recorded, evaluated or accounted for in our various investment vehicles. In particular, our Credit and Liquid Strategies business line is highly dependent on our ability to process and evaluate, on a daily basis, transactions across markets and geographies in a time-sensitive, efficient and accurate manner. Our and our third-party service providers' information systems and technology may not continue to be able to accommodate our growth, may not be able to adequately protect the information of our clients, may not be suitable for new products and strategies and may be subject to security risks, and the cost of maintaining such systems and technology may increase from our current level. Such a failure to accommodate growth, or an increase in costs related to such information systems and technology, could have a material adverse effect on our business. We are also dependent on an increasingly concentrated group of third-party vendors that we do not control for providing many of the aforementioned services, regulators. A disaster, disruption, error or inability to operate or provide any of these services by us or our vendors or third parties with whom we conduct business, including a disruption involving electronic communications or other services used by us, our vendors or third parties with whom we conduct business, including paying agents and escrow agents, or directly affecting our principal offices, could have a material adverse impact on our financial results and our ability to continue to operate our business without interruption. Our business continuation or disaster recovery programs may not be sufficient to mitigate the harm that may result from such a disaster or disruption. In addition, insurance and other safeguards might only partially reimburse us for our losses, if at all. Furthermore, most While we have endeavored to mitigate the risk of other disruptions in the future, there can be no guarantee these mitigation efforts will be successful. We may continue to experience reputational impacts and heightened regulatory scrutiny as a result of these matters.

We and these third parties operate in businesses that are highly dependent on information systems and technology, and certain of our administrative personnel businesses are also highly dependent on our ability to process and evaluate, on a daily basis, transactions across markets and geographies in a time-sensitive, efficient and accurate manner. If any of our service providers fails to provide us with timely and accurate data, the accuracy of our financial reporting and our financial statements may be impacted. We cannot ensure that erroneous information system received from third parties will be identified and technology infrastructure for resolved such that the asset management information is included without error, which may impact our business and servicing quality. The precautions we take to prevent and detect this activity may not be effective in all cases. We are



located subject to risks of errors and mistakes made by these third parties, which may be attributed to us and could materially and adversely affect us. We may be unsuccessful in our New York City office. Any disruption in the operation seeking reimbursement or indemnification from these third-party service providers.

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Our insurance business relies on third parties to access, our New York City office distribute its insurance products, and any adversity with its third-party distributors could have a significant material adverse effect on our insurance business. Since Global Atlantic does not have captive or proprietary distribution or engage in direct sales, if Global Atlantic's products are not retained on or added to the platforms of its distribution partners, sales of Global Atlantic's products may be materially reduced. Global Atlantic relies on banks, broker-dealers, insurance agencies and independent agents to distribute its retirement and traditional life insurance products, including preneed. Global Atlantic's distribution partners are not captive and may sell retirement and life insurance products of Global Atlantic's competitors. If Global Atlantic's competitors offer products that are more attractive, pay higher commission rates to the sales representatives or offer a better service experience, these representatives may concentrate their efforts in selling Global Atlantic's competitors' products. Global Atlantic competes with other insurance companies to place products with distribution partners. Key distribution partners may merge, change their business models in ways that affect how Global Atlantic's products are sold, or terminate their distribution contracts with Global Atlantic, or new distribution channels could emerge and adversely impact the effectiveness of Global Atlantic's distribution efforts. Consolidation of distributors and/or other industry changes may increase competition for access to distributors and increase the likelihood of products being dropped from a distributor or that distributors will try to renegotiate the terms of any existing selling agreements to terms less favorable to Global Atlantic. Distribution partners may also stop offering one or more of Global Atlantic's products, for a period of time or permanently, for a variety of reasons, including Global Atlantic's financial strength pricing or servicing. If any one of such distributors were to terminate its relationship with Global Atlantic or reduce the amount of sales which it produces, our insurance business would likely be adversely affected. In addition, some of Global Atlantic's distribution partners and potential partners use proprietary or third-party scoring systems in determining which products to sell. If Global Atlantic's scores fall to levels unacceptable to its distribution partners, they may no longer distribute Global Atlantic's products to their customers, which would have a negative impact on our insurance business. If Global Atlantic is unable to place its products or retain its products on the platforms of distribution partners, we may be materially and adversely affected.

In instances where we hold assets at a prime broker and/or custodian, in the event of the insolvency of such entity, our investment vehicles may not be able to recover equivalent assets in full as they will rank among the prime broker's and custodian's unsecured creditors in relation to assets that the prime broker or custodian borrows, lends or otherwise uses. In addition, our and our investment vehicles' cash held with a prime broker or custodian may not be segregated from the prime broker's or custodian's own cash, and our investment vehicles therefore may rank as unsecured creditors in relation to that cash. The inability to recover assets from the prime broker or custodian could have a material adverse impact on the performance of our investment vehicles and our financial results.

Furthermore, we rely on individual consultants and other contingent workers, who are not our employees but work directly in our business alongside our employees. Certain aspects of our business also depends on the efforts, skills, reputations, and business contacts, and conduct of these consultants and other contingent workers, sometimes to the same extent as our employees. We expect to continue to rely on the engagement of consultants and other contingent workers to service important aspects of our business, and our failure to retain them or to find their replacements could adversely impact KKR. In addition, even though these consultants and other contingent workers are not our employees, there are circumstances when their misconduct could adversely impact KKR to the same degree as if they were our employees. The risks of having such risk consultants and other contingent workers as integral parts of disruption or inaccessibility could be heightened during a public health crisis or pandemic.

our business are similar to the risks for employees as discussed in "—Risks Related to Our Business—We depend on the efforts, skills, reputations, business contacts, and conduct of our employees and our ability to retain our employees and to recruit prospective employees."

**Cyber-security failures and data security breaches may disrupt or have a material adverse impact on our businesses, operations and investments.**

In the ordinary course of our business, we may collect, process, and store proprietary, confidential, and sensitive information, including personal information, intellectual property, trade secrets, and proprietary business information owned or controlled by ourselves or other parties. It is critical that we do so in a secure manner to maintain the confidentiality, integrity, and availability of such information. We face several risks relative to protecting this critical information, including loss of access risk, inappropriate use or disclosure, inappropriate modification, and the risk of our being unable to adequately monitor, audit and modify our controls over our critical information. This risk extends to the third-party service providers who work with us in connection with certain elements of our operations.

Our fund investment vehicle investors, stockholders, regulators and other stakeholders are increasingly focused on cyber-security matters. We face cybersecurity risk management. In today's current threat landscape, we are continuously facing various security threats on a regular basis, including ongoing cyber-security cybersecurity threats to and attacks on our information technology infrastructure that are intended to gain access to our proprietary information, destroy data or disable, degrade or sabotage our systems. The risk of a security breach 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 generally increased as the number, intensity, and sophistication of attempted attacks and intrusions from around the world have increased. Although we take protective measures and endeavor to modify them as circumstances warrant, our computer systems, software and networks may be vulnerable to unauthorized access, theft, misuse, computer viruses or other malicious code, and other events that could have a security impact (including the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering, and other means to affect service reliability and threaten the confidentiality, integrity, and availability of information). We may be exposed to more significant risk if these acts are taken by state actors. Our employees have been and expect to continue to be the target of fraudulent calls and emails, and the subject of impersonations and fraudulent requests for money, such as attempts to redirect material payment amounts in a transaction to a fraudulent bank account, and other forms of activities. These same cybersecurity

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breaches, cyber-attack and cyber intrusions could also be employed against our various stakeholders or other third parties, including to impersonate KKR or its employees, which could cause similar security impacts to our stakeholders and other third parties and materially and adversely impact us or our investment vehicles. Cyber-criminals may attempt to redirect payments required to be paid at the closings of our investments to unauthorized accounts, which we or the services providers we retain, like administrators, paying agents and escrow agents, may not be able to detect or protect against. The costs related to cyber or other security threats or disruptions may not be fully insured or indemnified by others, including by our service providers.

Cyber-security Cybersecurity has become a top priority for regulators around the world. Rapidly developing and changing cybersecurity laws and regulations could further increase compliance costs and subject us to enforcement risks and reputational damage. Many jurisdictions in which we operate have laws and regulations relating to data privacy, cyber-security cybersecurity and protection of personal information, including the U.K.'s Data Protection Act 2018, the European General Data Protection Regulation ("GDPR") ("GDPR") that became effective in May 2018, the E.U.'s Digital Operational Resilience Act, which became effective in January 2023 and will apply from January 2025, the Gramm-Leach-Bliley Act of 1999 as amended in June 2023 and the California Consumer Privacy Act ("CCPA") ("CCPA") that became effective in January 2020 and is amended by the California Privacy Rights Act ("CPRA") ("CPRA"), which became operative in January 2023. Furthermore, The CPRA imposed additional obligations on companies covered by the legislation, including by expanding consumers' rights with respect to certain sensitive personal information. The CPRA also creates a new state agency that is vested with authority to implement and enforce the CCPA and the CPRA. Global Atlantic is subject to the New York State Department of Financial Services ("NYDFS") cybersecurity regulation. On November 1, 2023, the NYDFS finalized amendments to its cybersecurity regulations effective in 2022, April 2024 (the "NYDFS Cybersecurity Amendments"), which, among other things, would impose additional governance requirements, require the implementation of additional safeguards, impose various requirements on larger companies, require new and increased obligations related to written policies and procedures, heighten requirements around audits and risk assessments, and necessitate additional reporting requirements for cybersecurity incidents. More specifically, the NYDFS Cybersecurity Amendments would also (i) establish and maintain a cybersecurity program designed to ensure the confidentiality, integrity and availability of their information systems; (ii) implement and maintain a written cybersecurity policy setting forth policies and procedures for the protection of their information systems and nonpublic information; and (iii) review and update any risk assessments at least annually, as well as whenever a change in the business or technology causes a material change to cyber risk.

Furthermore, the SEC proposed 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. Global Atlantic, In February 2022, the SEC also proposed similar cybersecurity regulations for regulated investment advisers. If adopted in particular, processes sensitive personal information its proposed form, the proposed rule would require implementation of its policyholders, written cybersecurity policies and procedures to address cybersecurity risk in addition to requiring registered investment advisers to report significant cybersecurity incidents affecting the investment adviser or the investment vehicles it advises within 48 hours to the SEC, and would impose a new recordkeeping policy and internal review requirements related to cybersecurity. If this proposal is adopted, it could increase our compliance costs and potential regulatory liability related to cybersecurity. The SEC has also proposed a similar cybersecurity rule for broker-dealers and other security market participants which exposes Global Atlantic would require subject entities to a heightened implement policies and procedures that are reasonably designed to address their cybersecurity risks and, at least annually, review and assess the design and effectiveness of their cybersecurity policies and procedures, including whether they reflect changes in cybersecurity risk as discussed over the time period covered by the review. Many regulators have indicated an intention to take more aggressive enforcement actions regarding cybersecurity matters, and private litigation resulting from such matters is increasing and resulting in "—Risks Related to Global Atlantic—Business Risks Related to Global Atlantic—Any failure to protect the confidentiality of client information could adversely affect Global Atlantic's reputation progressively larger judgments and have a material adverse effect on its business, financial condition and results of operations." settlements.

We cannot assure you that our data protection cyber risk management efforts and our investment in information technology will prevent significant breakdowns, data leakages, breaches in our systems, or those of our third-party vendors and other contractors and consultants, or other cyber incidents that could have a material adverse effect upon our reputation, business, operations, or financial condition. The techniques used by cyber criminals change frequently, may 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. Breaches in security could potentially jeopardize our, our employees' employees', our fund investors' investment vehicle investors', Global Atlantic policyholders' insurance policyholders' or counterparties' our counterparties' confidential and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our, our employees' employees', our fund investors' investment vehicle investors', insurance policyholders', our policyholders', our counterparties' counterparties' or third parties' parties' operations, which could result in significant losses, increased costs, disruption of our business, liability to our fund investment vehicle investors and other counterparties, regulatory intervention or reputational damage. Furthermore, if we experience a cyber-security cybersecurity incident and fail to comply with the relevant notification laws and regulations, it could result in regulatory investigations and penalties, which could lead to negative publicity and may cause our fund investment vehicle investors and clients to lose confidence in the effectiveness of our security measures.

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We rely on third-party service providers for certain aspects of our business, including for certain information systems, escrow services, paying agent services, trustee services, insurance policy administration, legal services, technology, administration, tax, accounting and compliance matters. These Our third-party service providers could also experience, and recently have experienced, any of the above cyber-security cybersecurity threats, fraudulent activities or security breaches, and as a result, unauthorized individuals could improperly gain access to our confidential data, data through such third parties. Any interruption or deterioration in the performance of these third parties or cyber-security cybersecurity incidents involving these third parties could impair the quality of our and our funds' investment vehicles' operations and could impact our reputation and materially and adversely affect our businesses and limit our ability to grow, us. We may also have insufficient recourse against such third parties and may 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 from occurring.

Our portfolio companies also rely on data processing systems and the secure processing, storage and transmission of information, including payment and health information. A disruption or compromise of these systems could have a material adverse effect on the value of these businesses. Our funds investment vehicles may also invest in strategic assets having a national or regional profile or in infrastructure, the nature of which could expose them to a greater risk of being subject to a terrorist attack or security breach than other assets or businesses. Such an event may have material adverse consequences on our investment or assets of the same type or may require portfolio companies to increase spending on preventative security measures or expand insurance coverage.

#### **Artificial intelligence could increase competitive, operational, legal and regulatory risks to our businesses in ways that we cannot predict.**

The use of artificial intelligence by us and others, and the overall adoption of artificial intelligence throughout society, may exacerbate or create new and unpredictable competitive, operational, legal and regulatory risks to our businesses. There is substantial uncertainty about the extent to which artificial intelligence will result in dramatic changes throughout the world, and we may not be able to anticipate, prevent, mitigate, or remediate all of the potential risks, challenges, or impacts of such changes. These changes could potentially disrupt, among other things, our business models, investment strategies, operational processes, and our ability to identify and hire employees. Some of our competitors may be more successful than us in the development and implementation of new technologies, including services and platforms based on artificial intelligence, to address investor

demands or improve operations. If we are unable to adequately advance our capabilities in these areas, or do so at a slower pace than others in our industry, we may be at a competitive disadvantage.

If the data we, or third parties whose services we rely on, use in connection with the possible development or deployment of artificial intelligence is incomplete, inadequate or biased in some way, the performance of our products, services, and businesses could suffer. In addition, we analyze data through different means, including manual reviews, automated rules as well as the use of artificial intelligence and machine learning technologies to better manage our business. Recent technological advances in artificial intelligence and machine-learning technology both present opportunities and pose risks to us. Data in technology that uses artificial intelligence may contain a degree of inaccuracy and error, which could result in flawed algorithms in various models used in our businesses. Our personnel or the personnel of our service providers could, without being known to us, 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 us and our operations to the extent that we rely on the work product of such artificial intelligence in such operations.

There is also a risk that artificial intelligence may be misused or misappropriated by our employees or third parties engaged by us. For example, a user may 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 our competitors. Further, we may not be able to control how third-party artificial intelligence that we choose to use are developed or maintained, or how data we input is used or disclosed, even where we have sought contractual protections with respect to these matters. The misuse or misappropriation of our data could have an adverse impact on our reputation and could subject us to legal and regulatory investigations or actions or create competitive risk.

In addition, the use of artificial intelligence by us or others may require compliance with legal or regulatory frameworks that are not fully developed or tested, and we may face litigation and regulatory actions related to our 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. Our ability to use data to gain insights into and manage our business may be limited in the future by regulatory scrutiny and legal developments. See also "—Risks Related to Our Business—Rapidly developing and changing global privacy and data laws and regulations could further increase compliance costs and subject us to enforcement risks and reputational damage" and "—Risks Related to Our Business—Cyber-security failures and data security breaches may disrupt or have a material adverse impact on our businesses, operations and investments."

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#### ***Rapidly developing and changing global privacy and data laws and regulations could further increase compliance costs and subject us to enforcement risks and reputational damage.***

We and our portfolio companies are subject to various risks and costs associated with the collection, processing, storage and transmission of personal information and other sensitive and confidential information. This data is wide ranging and relates to our investors, employees, insurance policyholders, contractors and other counterparties and third parties. Any inability, or perceived inability, by us or our portfolio companies to adequately address privacy concerns, or comply with applicable privacy laws, regulations, policies, industry standards and guidance, related contractual obligations, or other privacy legal obligations, even if unfounded, could result in significant regulatory and third party liability, increased costs, disruption of our and our portfolio companies' business and operations, and a loss of fund investment vehicle investor confidence and other reputational damage.

Our employees (and, in certain cases, third-party service providers) have access to, and process, personal information of our investors, insurance policyholders, employees, contractors and other counterparties and third parties through a variety of media, including information technology systems. Our and our third-party service providers' information systems and technology may not be able to adequately protect the information of our investors, employees, insurance policyholders, contractors and other counterparties and third parties, may not be suitable for new products and strategies and may be subject to security risks. We rely on various internal processes and controls to protect the confidentiality of client information that is accessible to, or in the possession of, us, our employees and certain vendors and third-party administrators. It is possible that an employee could, intentionally or unintentionally, disclose or misappropriate confidential client information or our data could be the subject of a cybersecurity attack. Our third-party administrators and their employees also have access to, and routinely process, personal information of our investors, employees, insurance policyholders, contractors and other counterparties and third parties, and we are also dependent on such third parties and their systems to protect such data. If we or one of our subsidiary's employees, or one of our or a subsidiary's third-party vendors or administrators' employees, unintentionally share confidential client information or such information as a result of a cybersecurity attack or otherwise, we may be unable to control or mitigate this occurrence even if we offer remediation, such as credit monitoring, to the impacted parties. Misappropriation or intentional or unintentional inappropriate disclosure or misuse of client confidential information could occur even if individuals are properly trained and adequate internal controls and policies and procedures are maintained.

Pursuant to U.S. federal and state laws, various government agencies have established rules protecting the privacy and security of personal information. We and our portfolio companies may be required to comply with both U.S. federal and state laws and regulations related to privacy. For example, the CCPA provides for enhanced consumer protections for California residents, a private right of action for data breaches of certain personal information and statutory fines and damages for such data breaches or other CCPA violations, as well as a requirement of "reasonable" "reasonable" cybersecurity. The CCPA was expanded on January 1, 2023, when the CPRA amendments to the CCPA became operative. Additional U.S. states (such as Colorado, Connecticut, Utah and Virginia) have passed their own comprehensive consumer privacy laws, some of which went into effect in 2023 or will go into effect in 2023, 2024, and other states are considering doing so, which so. These state laws may expand our compliance obligations and impact our business or the businesses of our portfolio companies. Most states have enacted laws to which we are subject, and which vary significantly from jurisdiction to jurisdiction, to safeguard the privacy and security of personal information. Global Atlantic, in particular, processes sensitive personal information of its policyholders, which exposes Global Atlantic to heightened risk. Global Atlantic is subject to the NYSDFS cybersecurity regulation. The NYSDFS Cybersecurity Amendments significantly expand the regulation by the NYSDFS of data privacy matters. Global Atlantic is also subject to the California Consumer Privacy Act. At the U.S. federal level, we are subject to the Gramm-Leach-Bliley Act of 1999 as amended in June 2023, which regulates, among other things, imposes privacy requirements on financial institutions, including obligations to protect and safeguard consumers' nonpublic personal information and records, and limits the use of non-public personal ability to share and reuse such information. In March 2023, the SEC proposed amendments to Regulation S-P, its rules implementing 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.

In addition, we and our portfolio companies are required to comply with certain non-U.S. privacy laws, including, for example, the GDPR and UK Data Protection Act, as well as laws in other jurisdictions globally. Global laws in this area are rapidly increasing in the scale and depth of their requirements and are also often extra-territorial in nature. In addition,



a wide range of regulators and private actors are seeking to enforce these privacy laws with increased scrutiny and growing penalties, including across regions and borders. Furthermore, we frequently have privacy compliance requirements because of our contractual obligations with counterparties. As new privacy-related laws and regulations are implemented, the time, cost and resources needed for us and our portfolio companies to comply with such laws and regulations continues to increase. These legal, regulatory, and contractual obligations heighten our privacy obligations in the ordinary course of conducting our business in the U.S. and internationally. Furthermore, failure to comply with U.S. and foreign privacy, data protection, and data security

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laws and regulations could result in government investigations or enforcement actions (which could include civil or criminal penalties), private litigation, claims, or public statements against us or adverse **publicity and could negatively affect our operating results and business, publicity**. Claims that we have violated individuals' privacy rights, failed to comply with privacy, data protection, and data security laws, or breached our contractual obligations, even if we are not found liable, could be expensive and time consuming to defend, could result in adverse publicity and could have a material adverse effect on **us**. **Many regulators have indicated an intention to take more aggressive enforcement actions regarding data privacy matters, and private litigation resulting from such matters is increasing and resulting in progressively larger judgments and settlements.**

Regulators are also increasing scrutiny and considering, and in some cases enacting, regulation of the use of artificial intelligence technologies. In April 2023, the U.S. Federal Trade Commission ("FTC"), DOJ, CFPB, and EEOC released a joint statement on artificial intelligence, demonstrating their interest in monitoring the development and use of automated systems and enforcement of their respective laws and regulations. In October 2023, the Biden Administration passed an executive order on Safe, Secure, and Trustworthy Artificial Intelligence which establishes new standards for AI safety and security. The NAIC has established a dedicated working group and adopted bulletins and reports on the use of artificial intelligence by insurers. Existing laws and regulations may be interpreted in new ways, which would affect the way in which we or our portfolio companies use artificial intelligence and machine learning technology. In addition to the U.S. regulatory framework, the EU is in the process of finalizing a new regulation on artificial intelligence (the "EU AI Act"), parts of which are slated to take effect from late 2024. The EU AI Act is a legal framework, which will govern the development and deployment of artificial intelligence placed on the EU market, used in the EU, or where the output is used or intended to be used within the EU. The framework is expected to ban certain uses of artificial intelligence outright and impose material obligations on both the providers and deployers of certain other artificial intelligence activities. The fine threshold for non-compliance is expected to be 35 million euros or 7% of total annual worldwide turnover, whichever is higher, and regulators are expected to have powers to remove non-compliant products from the EU market. Other jurisdictions, such as Canada and Brazil, are also considering similar legal frameworks.

Once effective, regulations relating to artificial intelligence may expand our compliance obligations and impact our business **reputation, financial performance or the business of** our portfolio companies. In July 2023, the SEC proposed new predictive data analytics rules, which would require registered investment advisers (and broker-dealers) to eliminate or neutralize (rather than just disclosing and **business, mitigating**) certain conflicts of interest posed by covered technologies including artificial intelligence and **operations, machine-learning**, with respect to their interactions with clients and investors in pooled investment vehicles. In order to limit their potential liability under this rule, our investment adviser entities could choose to change or discontinue some of their activities related to such technologies. We cannot predict what, if any, actions may be taken, but such developments could have a materially adverse impact to us.

**We may expand into new investment strategies, geographic markets and businesses and new types of investors each of or seek to expand our business or change our strategic focus with new strategic initiatives, which may result in additional risks and uncertainties in our businesses.**

Our organizational documents do not limit our ability to enter into new lines of **businesses, business**, and we may expand into new investment strategies, geographic markets, **and businesses, and new** types of **investors, investors and investment products**. We intend **to the extent that market conditions warrant**, to seek to grow our businesses by increasing AUM in existing businesses, pursuing new investment strategies (including investment opportunities in new asset classes), developing new types of investment structures and products (such as publicly listed vehicles, separately managed accounts and structured products), expanding into new geographic markets and businesses and seeking investments from investor bases we have traditionally not pursued, such as individual **fund** investors, which subject us to additional risk. See also **"—Risks Related to Our Business—Certain types of investment vehicles, especially those offered to individual investors, may subject us to a variety of risks, including new and greater levels of public and regulatory scrutiny, regulation, risk of litigation and reputational risk, which could materially and adversely affect us."** We have in the past opened many offices to conduct our asset management and capital markets businesses around the world in Europe, the Middle East and Asia-Pacific, which we intend to grow and expand. We have also launched a number of new investment initiatives in **areas various asset classes or geographies**, such as **core plus real estate, real estate credit, core climate investments and infrastructure growth equity, core private equity, and impact investments in the Asia-Pacific region**, and increasingly manage investment vehicles owned by **retail individual** investors, which subject us to additional risk. Introducing new types of investment structures and products could increase the complexities involved in managing such investments, including ensuring compliance with **applicable** regulatory requirements and terms of the **investment, investment vehicles**.

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Our organic growth strategy focuses on providing resources to foster **the development of new product offerings and business strategies by our investment professionals and launching successor and related products, expansion**, such that **our new strategies we** achieve a level of scale and profitability. Given our diverse platform, these initiatives could create conflicts of interests with existing products, increase our costs and expose us to new market risks, and legal and regulatory requirements. The success of our organic growth strategy will also depend on, among other things, our ability to correctly identify and create products that appeal to the limited partners of our funds and vehicles. While we have made significant expenditures to develop these new strategies and products, there is no assurance that they will achieve a satisfactory level of scale and profitability. **To raise new funds and pursue new strategies, we have and expect to continue to use our balance sheet to warehouse seed investments, which may decrease the liquidity available for other parts of our business. If a new strategy or fund does not develop as anticipated and such investments are not ultimately transferred to a fund, we may be forced to realize losses on these retained investments.**

We have and may continue to pursue growth through acquisitions of, **or investments in, new businesses**, other investment management companies, acquisitions of critical business partners, strategic partnerships, **other alternative or traditional investment managers**, or other strategic initiatives which also may include entering into new lines of business. In addition, we expect opportunities will arise to acquire other alternative or traditional investment managers. For example, in **February 2021, we expanded into the insurance business by acquiring Global Atlantic, and in April 2022, we expanded into the Japanese real estate market by acquiring KJRM, a Japanese real estate asset manager. In February 2021, we expanded into the insurance business by acquiring a majority controlling equity interest in Global Atlantic before acquiring the remaining minority equity interest**

in January 2024 to make Global Atlantic a wholly owned subsidiary. For further detail on the challenges and risks related to this acquisition, see “—Risks Related to Our Insurance Activities—The Global Atlantic acquisition may not achieve its intended benefits, and certain difficulties, costs or expenses may outweigh such intended benefits.”

Contemporaneously with the November 2023 announcement of our agreement to acquire the remaining equity interests in Global Atlantic, we announced a series of other strategic initiatives, which became effective with the January 2024 closing of the Global Atlantic transaction. These strategic initiatives are expected to be implemented in the first quarter of 2024 and include (i) creating a new business segment, Strategic Holdings, (ii) modifying KKR's compensation structure to allocate a greater percentage to carried interest and a lesser percentage to fee-related earnings, and (iii) introducing a new reporting framework called “Total Operating Earnings.” We currently believe that we will receive stable recurring revenues from our expectations that a larger percentage of our earnings will shift to what we consider to be more stable recurring revenues related to our increased ownership interest in Global Atlantic and our future growth expectations over time in dividend payments from portfolio companies included in our new Strategic Holdings segment. However, these are our current expectations and not a guarantee that they will be realized as currently expected or be as accretive to our earnings as we currently believe they will be. Investors should consider the risks related to the implementation of these strategic initiatives. For example, expected dividend amounts and investment returns in the new business segment Strategic Holdings may be materially less than our current expectations or not materialize at all, and the volatility of employee compensation as a result of the modification of our compensation framework could impact our ability to hire, retain, and motivate our employees whom we are dependent on. See “—Risks Related to Our Business—We depend on the efforts, skills, reputations, business contacts, and conduct of our employees and our ability to retain our employees and to recruit prospective employees.” In addition, we may not achieve some or all of the expected benefits of our ownership, as of January 2, 2024, of 100% of Global Atlantic. See “—Risks Related to Our Insurance Activities—The Global Atlantic acquisition may not achieve its intended benefits, and certain difficulties, costs or expenses may outweigh such intended benefits.”

To the extent we make strategic investments or acquisitions, undertake other strategic initiatives, expand into new investment strategies or geographic markets, or enter into a new line of business, we will face numerous risks and uncertainties, including risks associated with:

- our ability to successfully negotiate and enter into beneficial arrangements with our counterparties;
- the required investment of capital and other resources;
- the incurrence of substantial transaction-related costs including non-recurring transaction-related costs;
- delays or failure to complete an acquisition or other transaction in a timely manner or at all, due to a failure to obtain shareholder or regulatory approvals or satisfy any other closing conditions, which may subject us to damages or require us to pay significant costs;
- lawsuits challenging an acquisition or unfavorable judgments in such lawsuits, which may prevent the closing of the transaction, cause delays, or require us to incur substantial costs including in costs associated with the indemnification of directors;
- the possibility that we have insufficient expertise to engage in such activities profitably or without incurring inappropriate amounts of cost, risk or liability or have not appropriately planned for such activities;
- the possibility of diversion of management's time and attention from our core business;
- the possibility of disruption of our ongoing business;
- the failure to realize the anticipated benefits from an acquired business or strategic partnership in a timely manner, if at all;
- combining, integrating or developing operational and management systems and controls, including an acquired business's internal controls and procedures;
- integration of the businesses, including the employees of an acquired business;
- potential increase in concentration [Table of the investors in our funds](#); [Contents](#)
- disagreements with joint venture partners or other stakeholders in our hedge fund partnerships and our strategic partnerships;
- the additional business risks of the acquired business and the broadening of our geographic footprint, including the risks associated with conducting operations in foreign jurisdictions such as taxation; footprint;
- properly managing conflicts of interests;
- our ability to obtain requisite regulatory approvals and licenses without undue cost or delay and without being required to comply with material restrictions or material conditions that would be detrimental to us or to the combined organization;
- our ability to comply with new regulatory regimes; and
- regulatory scrutiny or litigation exposure due to the activities of the acquired business, hedge fund partners or joint venture partners;
- entry into new strategies or certain lines of business may becoming subject us to new laws and regulations with which we are not familiar, or from which we are currently exempt, and that may lead to increased litigation and regulatory risk and costs; and costs.
- additional risks and uncertainties in that we may be dependent upon, and subject to liability, losses or reputational damage relating to, systems, controls and personnel that are not under our control for strategic initiatives in the form of joint ventures or the acquisition of minority interests in third parties.

The expansion into new products, businesses and geographies has demanded greater management attention and dedication of resources to manage the increasing complexity of operations and regulatory compliance. For example, we developed and completed several structured transactions in which KKR provides subordinated or equity financing and third-party investors provide senior financing to investment vehicles that invest in our fund investments. In addition to the increased operational complexity and cost that arise from the structure and bespoke terms of these transactions, because of the subordinated nature of KKR's interests, we are at risk of losing all of our capital committed to these transactions ahead of any third party if the vehicle's investments do not perform as expected.

***If we are unable to syndicate the securities or indebtedness or realize returns on investments financed with our balance sheet assets, or if our structured transactions do not perform as expected, then our liquidity, business, results of operations and financial condition could be materially and adversely affected. affected if we fail to manage our balance sheet commitments.***

Our balance sheet assets provide us with a significant source of capital to grow and expand our business, increase our participation in our transactions and underwrite commitments in our capital markets business. We have used our balance sheet assets to underwrite loans, securities or other financial instruments, which we generally expect to syndicate to third parties. We have also entered into arrangements with third parties that reduce our risk associated with holding unsold securities when underwriting certain debt transactions, which enables our capital markets business to underwrite a larger amount. To the extent that we are unable to syndicate our commitments to third parties or our risk reduction arrangements do not fully perform as anticipated, we may be required to sell such investments at a significant loss or hold them indefinitely. If we are required to retain investments on our balance sheet for an extended period of time, our results would be directly impacted by the performance of such investments and it would also impair our capital markets business' ability to complete additional transactions, either of which could materially and adversely affect our business, results of operations and financial condition. See also "—Risks Related to the Assets We Manage—Risk management activities may adversely affect the return on our investments." us.

We generally have a larger balance sheet than many of our competitors, and consequently, the performance of these balance sheet assets has a greater impact on our results of operations. In particular, during a period when our balance sheet assets are concentrated in a limited number of investments, results from a small number of investments can have a significant impact on our balance sheet performance. Our success in deploying our balance sheet assets and generating returns on this capital, particularly as it relates to our new expected business segment, Strategic Holdings (the performance of which depends on the investment performance, and dividends of, many of our balance sheet assets), will depend, among other things, on the availability of suitable opportunities after giving priority in investment opportunities to our advisory clients, the level of competition from other companies that may have greater financial resources and our ability to value potential development or acquisition opportunities accurately and negotiate acceptable terms for those opportunities. To The success of our new Strategic Holdings segment will be dependent on the extent we are unsuccessful in deploying success of our balance sheet assets, our business and financial results may suffer.

#### strategy.

Our balance sheet assets have been a significant source of capital for new strategies and products. To the extent that such strategies or products are not successful, or our balance sheet assets cease to provide adequate liquidity, we would realize losses on our balance sheet investments or become limited in our ability to seed new businesses or support our existing business as effectively as contemplated. For example, we may acquire investments using our balance sheet capital and warehouse these investments while fundraising a particular fund, investment vehicle. We expect our balance sheet capital to be returned to us if such fund investment vehicle has a successful fundraise. However, if the fundraising is not successful, or if fund investment vehicle investors are not willing to pay for these warehoused investments, then we this may realize materially and adversely affect KKR, including by potentially realizing losses on these warehoused investments or otherwise suffer an adverse impact in our liquidity, business, results of operations and financial condition, investments.

We have also developed and completed several structured transactions in which our balance sheet provides subordinated or equity financing and third-party investors provide senior financing to an investment vehicle that invests in our funds investment vehicles and certain other investment assets. We have also entered into a similarly structured transaction where the cash flows of our balance sheet's capital commitments to our funds investment vehicles have been effectively pledged as collateral for the investment vehicle. In addition to the increased operational complexity and cost that arise from the structure and bespoke terms of these transactions, because of the subordinated nature of KKR's interests, we are at risk of losing all of our interests in these transactions ahead of any third party if the investments do not perform as expected. As of December 31, 2022, See Note 24 "Commitments and Contingencies—Funding Commitments and Others" for total balance sheet investments made by KKR in these structured transactions were approximately \$2.0 billion, and in addition, for the amount we have agreed to fund invest or otherwise be liable for a portion of up to a maximum of \$116 million in investment losses and/or to provide liquidity upon certain termination events (the maximum amount of which is currently unknown). See "Management's Discussion and Analysis

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***Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect our business. KKR.***

Our business is subject to extensive regulation, and legislative focus including periodic and regulatory scrutiny, and our 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 in which we operate around the world. See Note 24 "Commitments and Contingencies—Litigation" in our financial statements for a description of certain pending matters.

Any of these governmental and regulatory authorities may challenge our and our employees' compliance with any applicable laws and regulations, and we and our employees could become subject to civil or criminal proceedings brought by them for such noncompliance. Many of these regulators including U.S. federal and state and foreign government agencies and regulators and self-regulatory organizations, 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 may, in addition to the foregoing may damage our relationships with existing and potential fund investors, impair imposition of significant monetary penalties, require an admission of wrongdoing or include adverse limitations or prohibitions on our ability to raise capital for successor funds, impair conduct our ability to carry out our investment strategies, impair Global Atlantic's ability to conduct its insurance business, or contravene provisions concerning compliance with law in agreements to which we are a party, business. Even if a sanction is not imposed, or a sanction imposed against us or our personnel by a regulator were small in monetary amount, the adverse publicity relating to the regulatory activity or imposition of these sanctions could harm be significant.

Any of the foregoing consequences or events may damage our reputation relationships with existing and cause us potential investors in our publicly traded stock, our investment vehicles or our insurance products, impair our ability to lose existing raise capital for our investment vehicles, impair our ability to carry out investment activities, impair our ability to conduct our insurance business, and contravene provisions concerning compliance with laws and regulations in the agreements to which we are a party. In addition, as discussed further below, certain events could disqualify KKR from relying on private placement exemptions from registration under the Securities Act, which would materially and adversely affect our ability to raise financing for KKR and our ability to conduct our capital markets business. Moreover, any of these governmental or regulatory actions could also lead to increased exposure to: other allegations, examinations, inquiries or investigations by other U.S. and non-U.S. governmental and regulatory agencies on related or unrelated matters, civil litigation by our stockholders, fund investors, or fail to gain new fund investors other third parties, or to lose or fail to gain new policyholders or ceding parties, could have other negative effects, which could materially and adversely affect us.

The private equity industry has been and continues to be under intense regulatory and news media scrutiny with governmental officials and regulators focusing on the private equity industry's fees, the taxation of its investments, the business practices, antitrust compliance and operations of its portfolio companies, conflicts of interest, and other issues. In particular, the SEC's areas of focus on private equity firms have included, among others, fiduciary duty and compliance programs, conflicts of interest allocation of investment opportunities, the allocation of fees and expenses, including the acceleration of monitoring fees and the allocation of broken-deal and other expenses, valuation practices, the disclosure, use and compensation of operating partners or consultants as well as third-party compliance or similar service providers, outside investment and business activities of firm principals and employees, group purchasing arrangements, disclosure of affiliated service providers, disclosure of conflicts of interest and investment risks, adherence to notice, consent and other contractual requirements, electronic messaging, communications, cyber-security, data privacy and protection, the use of purchased data, valuation, retail investors, foreign bribery and corruption, and policies covering custody, auditing, handling of material nonpublic information, insider trading, business continuity and transition planning, conflicts of interest relating to liquidity, such as certain adviser-led fund restructurings, as well as private fund advisers' portfolio strategies, risk management, and investment recommendations and allocations.

#### Certain Recent and Potential Regulatory Developments

- 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 The Employee Retirement Income Security Act of 1974 ("ERISA"), individual retirement accounts ("IRAs") within the meaning of Section 4975 of 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, may 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.

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- In August 2023, the SEC adopted new rules and amendments to existing rules under the Investment Advisers Act of 1940 (the "Advisers Act") (collectively, the "Private Fund Adviser Rules"), which includes, 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 regard 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.
- 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 the Commodity Futures Trading Commission ("CFTC") jointly adopted amendments to Form PF that expand the information that private fund advisers must provide in their Form PF filings. The compliance date 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 FTC and the Antitrust Division of the U.S. Department of Justice ("DOJ") have recently announced a number of initiatives and policy shifts to increase antitrust enforcement in the United States, where we and many of our portfolio companies have businesses. In addition, officials from both conduct business. For example, on December 18, 2023, the FTC and the DOJ's Antitrust Division jointly issued the final updated Merger Guidelines, which describe and guide FTC 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 an area of focus. For The increased scope and vigor of antitrust regulation and enforcement could impact our business, the investment activities of us and our funds and the businesses of our portfolio companies. These initiatives are consistent with statements by officials from both the FTC and the 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 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 Hart-Scott-Rodino ("HSR") Act. In October 2022, the DOJ announced that seven directors, including representatives of private equity investors, resigned from corporate board positions in response to concerns raised by the Antitrust Division that their roles violated the Clayton Act's prohibition on interlocking directorates, which restricts directors and officers from serving simultaneously on the boards of competitors. 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 Please see Note 24 "Commitments and vigor Contingencies—Litigation" in our financial statements for further information with respect to the DOJ's antitrust investigations pending against us.

[Table of antitrust enforcement could impact our business, the investment activities of our funds and the valuations and businesses of our portfolio companies. Contents](#)

- 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 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. Please see Note 25 24 "Commitments and Contingencies—Litigation" in our financial statements for further information with respect to the inquiries by the SEC to us.
- Regulation of ESG matters continued to proliferate in 2022: Please see "—We are subject to increasing focus by our fund investors, stockholders, regulators and other stakeholders on environmental, social and governance matters" for further detail on the ESG-related risks to our business. SEC's pending investigations against KKR.
- The SEC's amended rule for investment adviser marketing became effective in November 2022. The rule increases regulatory obligations and imposes more prescriptive requirements on investment advisers' marketing activities, including prohibitions on advertisements that are misleading or contain material statements that an investment adviser cannot substantiate, as well as requirements for performance advertising and the use of placement agent arrangements. The rule impacts the marketing of certain of our funds and other investment advisory functions both within and outside of the United States. Compliance with the new rule entails compliance and operational costs, and may result in less overall flexibility in our marketing. In September 2022, the SEC staff published a risk alert indicating that the staff will conduct a number of specific national initiatives, as well as a broad review through the examination process, for compliance with the new marketing rule.
- In 2022, the SEC proposed a number of other significant changes that, if adopted, will affect our business:
  - On January 26, 2022, the SEC proposed significant changes to Form PF, including a requirement to report within one business day, certain transactions and fund-level events and a requirement to disclose, among other things, details about the use of leverage by funds and portfolio companies and the capitalization and restructurings of portfolio companies. Additional changes to Form PF were proposed on August 10, 2022.
  - On February 9, 2022, the SEC proposed rules regarding the management of private funds like the funds we manage, the handling of cybersecurity risks, and trade clearance and settlement. The proposed rules regarding the management of private funds are significant and include, among other things, prohibiting certain preferential treatment to investors and providing transparency on other forms of preferential treatment; limitations on our ability to seek reimbursement, indemnification, exculpation, or limitation of liability for certain activities; charging certain fees and expenses to our funds or their portfolio companies; reducing the amount of our clawback of carried interest by the amount of certain taxes; charging fees or expenses related to a portfolio investment on a non-pro rata basis; and borrowing or receiving an extension of credit from our private fund investors.
  - On October 26, 2022, the SEC proposed a new rule and related amendments to prohibit SEC-registered investment advisers from outsourcing certain services or functions to service providers without meeting certain requirements, including substantial diligence and monitoring obligations. These proposed changes, if they become effective, are expected to increase the costs of compliance, expose us to regulatory scrutiny, censure and penalties if we are unable to comply, and could in certain instances reduce our revenues.
  - On February 15, 2023, the SEC proposed amendments to the custody rule for SEC-registered investment advisers. If adopted, the amendments would require, among other things, the adviser to: obtain certain contractual terms from each advisory client's qualified custodian; document that privately-offered privately offered securities cannot be maintained by a qualified custodian; and promptly obtain verification from an independent public accountant of any purchase, sale or transfer of privately-offered privately offered securities. The amendments also would apply to all assets of a client, including real estate and other assets that generally are not considered securities under the federal securities laws. If adopted, these amendments could expose our registered investment advisers to additional regulatory liability, increase compliance costs, and impose limitations on our investing activities.
- Special purpose acquisition companies ("SPACs") continue to contend with new laws, litigation and regulation (including extensive pending rules proposed by On October 26, 2022, the SEC in March 2022). We had co-sponsored proposed a SPAC, KKR Acquisition Holdings I Corp., which was liquidated in December 2022, resulting in a loss



of our new rule and related amendments to prohibit SEC-registered investment advisers from outsourcing certain services or functions to service providers without meeting certain requirements, including substantial diligence and we may in the future elect to utilize SPACs or other blank check companies in connection with our investment activities, including through completing a de-SPAC transaction between a portfolio company and a SPAC, monitoring obligations.

On August 13, 2022, the National Association of Insurance Commissioners ("NAIC") Executive Committee and Plenary adopted a list of "Regulatory" Considerations Applicable (But Not Exclusive) to Private Equity (PE) Owned Insurers (the "NAIC List"). The NAIC and state insurance regulators will use the NAIC List to review additional information related to affiliates and investment structures (including revisions to the capital charges for asset-backed securities, in particular CLOs), investment management agreements, governance, market conduct practices and use of third-party administrators. The U.S. Financial Stability Oversight Council ("FSOC") 2022 annual report again noted For example, insurance regulators, including the potential for increased interconnectivity NAIC, have increasingly focused on the terms and structure of investment management agreements, including whether they are at arms' length, establish a control relationship with the insurance company, grant the asset manager excessive authority or oversight over the investment strategy of the financial markets insurance company or provide for management fees that are not fair and reasonable or termination provisions that make it difficult or costly for the insurer to terminate the agreement. Regulators have also increasingly focused on the risk profile of certain investments held by insurance companies (including, without limitation, structured credit assets such as a result collateralized loan obligations), appropriateness of private equity firms' growing role in the insurance sector. The Federal Insurance Office 2022 annual report stated that the growth of private-equity owned insurers may have implications for policyholders and the financial system, and identified areas of priority for continued monitoring, including credit and liquidity risk, offshore reinsurance investment ratings and potential conflicts of interest. In addition, members interest (including affiliated investments), and potential misalignment of Congress have incentives and any potential risks from these and other aspects of an insurance company's relationship with alternative asset managers that may impact the insurance company's risk profile. This enhanced scrutiny may increase the risk of regulatory actions against us and could result in the past year issued letters new or amended regulations that limit our ability, or make it more burdensome or costly, to enter into or amend existing investment management agreements or advisory with insurance companies and held hearings scrutinizing the investment strategies and regulation of private-equity owned insurers, thereby grow our insurance strategy. Our relationships with Global Atlantic and other insurers and reinsurers will be expected to be subject to additional scrutiny and potentially additional regulatory requirements, which may have a material impact on our business, reputation, results of operations and financial condition. us. See also "—Risks Related to Global Atlantic—Regulatory Risks Related to Global Atlantic—our Insurance Activities— Global Atlantic's businesses are heavily regulated across numerous jurisdictions, including with respect to capital requirements, and changes in regulation could reduce Global Atlantic's profitability, the profitability of our insurance business."

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The AIFMD provides for a comprehensive regulatory and supervisory framework for AIFMs managing or marketing alternative investment funds in the EU. The AIFMD imposes various substantive regulatory requirements on AIFMs, including a subsidiary of ours which is authorized as an AIFM by the Central Bank of Ireland. Ireland, and there have been a number of significant changes that, if adopted, will affect our business:

- On November 25, 2021, the European Commission (the "Commission") published draft legislative proposals in the form of a directive amending the AIFMD. The draft legislative proposals address delegation arrangements, liquidity risk management, supervisory reporting, provision of depositary and custody services and loan origination by alternative investment funds.
- On August 2, 2021, Commission Delegated Regulation (EU) 231/2013 was amended to require sustainability risks and sustainability preferences to be integrated into the investment decision-making and risk management processes of AIFMs. The amendments applied from August 1, 2022.
- On November 28, 2022, the EU adopted Regulation (EU) 2022/2560 on foreign subsidies distorting the internal market, coming into force in mid-2023, which, subject to certain thresholds, will require mandatory notification of acquisitions involving financial contributions by non-EU governments. This may increase our notification obligations and increase costs when making or exiting investments involving the EU.
- On October 25, 2022, the FCA published proposed rules to establish a UK-focused sustainability disclosure regime, which may apply to our UK subsidiaries if adopted. The proposals involve rules relating to manager-level and product-level disclosures, establish anti-greenwashing guidance and introduce a fund labelling regime. Following the exit of the UK from the EU on January 31, 2020 ("Brexit"), the UK and the EU issued a Joint Declaration on Financial Services Regulatory Cooperation stating the intent to enter into a memorandum of understanding ("MOU") by March 2021 to establish the framework for regulatory cooperation on financial services. However, no such MOU has yet been signed and there is currently no arrangement in place that allows broad market access between the UK and the EU. Any re-negotiated terms of the MOU or amended laws and regulations could have an adverse impact on our funds, their portfolio companies and our regulated entities, including an increase in our compliance costs in the UK or the EU.
- In July 2022, the 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 Brexit; (ii) reform the legislative framework governing the UK's capital markets; (iii) reform the financial promotion framework; and (iv) give the 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 financial services regulatory framework and the EU financial services framework, which could increase regulatory compliance costs across our business and impact the ability of our regulated portfolio companies to scale across the UK and EU markets.

- the The European Market Infrastructure Regulation ("EMIR"), the legislation amending EMIR ("EMIR Refit") and their UK equivalents, which impose various reporting, margining and central clearing requirements on certain derivative transactions.



- Changes to AIFMD are expected to be formally agreed to in early 2024 and would come into effect in 2026. These changes may increase the compliance burdens on certain of our funds 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 such funds.

Additionally, our business could be adversely affected if we or our portfolio companies fail to comply with existing and potential new applicable ESG regulations. The potential impact to us of these regulations is further described in “—Risks Related to Our Business—We are subject to focus by some of our fund investors, stockholders, regulators and other stakeholders on environmental, social and governance matters.”

Additionally, our business could be adversely affected if we or our portfolio companies fail to comply with existing and potential new applicable regulations relating to artificial intelligence, including the EU AI Act. The potential impact to us of these regulations is in “—Risks Related to Our Business—Rapidly developing and changing global privacy and data laws and regulations could further increase compliance costs and subject us to enforcement risks and reputational damage” and “—Risks Related to Our Business—Cyber-security failures and data security breaches may disrupt or have a material adverse impact on our businesses, operations and investments.”

Any of these changes or potential changes in the regulatory framework applicable to our business (including any changes or potential changes that are not described above or that we are unaware of or that may arise from new leadership at regulators and in governments in the U.S. and abroad), as well as adverse news media attention, may: impose additional expenses or capital requirements on us; limit our fundraising for our investment products; result in limitations in the manner in which our business is conducted; have an adverse impact upon our results of operations, financial condition, reputation or prospects; impair employee retention or recruitment; and require substantial attention by senior management. It is impossible to determine the extent of the impact of any new laws, regulations, initiatives or regulatory guidance that may be proposed or may become law on our business or the markets in which we operate. If enacted, any new law, regulation, initiative or regulatory guidance could negatively impact our funds and us in a number of ways, including: increasing our costs and the cost for our funds of investing, borrowing, hedging or operating; increasing the funds' or our regulatory operating costs; imposing additional burdens on the our funds' or our staff; and potentially requiring the disclosure of sensitive information. Even if not enacted, evaluating and responding to new rulemaking proposals which are expected to increase, could result in increased costs and require significant attention from management. In addition, we may be materially and adversely affected by changes in the interpretation or enforcement of existing laws and

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rules by these governmental authorities, courts, regulators and self-regulatory organizations. New laws, regulations, initiatives or regulatory guidance, or changes in interpretation or enforcement, could make compliance more difficult or more expensive, affect the manner in which we conduct business and divert significant management and operational resources and attention from our business. Moreover, an increase in regulatory investigations and new or enhanced reporting requirements of the trading and other investment activities of alternative investment management funds and firms, including our funds and us, is possible. Such investigations and reporting requirements could impose additional expenses on us, require the attention of senior management, increase the complexity of managing our business, or result in fines or other sanctions if we or any of our funds are deemed to have violated any law or regulations.

## **Current Alternative Asset Manager Legal and Regulatory Environment.**

We regularly rely on exemptions in the United States from various requirements of the Securities Act, the Exchange Act, the Investment Company Act, the Commodity Exchange Act and The Employee Retirement Income Security Act of 1974 (“ERISA”) in conducting our investment management activities. These exemptions are sometimes highly complex and may in certain circumstances, depend on compliance by third parties whom we do not control. If for any reason these exemptions were to become unavailable to us, we could become subject to additional restrictive and costly registration requirements, regulatory action or third-party claims and our business could be materially and adversely affected. See “—Risks Related to Our Organizational Structure—If we were deemed to be an ‘investment company’ subject to regulation under the Investment Company Act, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business” and “—Certain types of investment vehicles, especially those offered to individual investors, may subject us to new and greater levels of public and regulatory scrutiny, regulation, risk of litigation, and reputational risk, which could materially and adversely affect us.”

For example, in raising new funds or certain other vehicles, we typically rely on private placement exemptions from registration under the Securities Act, including Rule 506 of Regulation D. However, Rule 506 becomes unavailable to issuers (including our funds) if the issuer or any of its “covered persons” (certain officers and directors and also certain third parties including, among others, promoters, placement agents and beneficial owners of 20% of outstanding voting securities of the issuer) has been the subject of a “disqualifying event,” which includes a variety of criminal, regulatory and civil matters (so-called “bad actor” disqualification). If our funds (or other vehicles) or any of the covered persons associated with our funds (or other vehicles) are subject to a disqualifying event, one or more of our funds could lose the ability to raise capital in a Rule 506 private offering for a significant period of time, which could significantly impair their ability to raise new funds (or other products) and our ability to organize and offer new funds (or other vehicles), and, therefore, could materially and adversely affect us. We also rely on Rule 506 in connection with our capital markets business results activities, including with respect to various fundraising activities discussed above and in connection with transactions in which our investment funds or insurance companies may participate as a purchaser or a seller of operations securities. The occurrence of a disqualifying event could materially and financial condition, adversely affect our ability to raise financings for KKR and our ability to conduct our capital markets business, which depends on KKR’s ability to participate in unregistered securities offerings. In addition, if certain of our employees or any potential significant investor has been the subject of a disqualifying event, we could be required to reassign or terminate such an employee or we could be required to reduce or refuse the investment of such an investor, which could impair our relationships with investors, harm our reputation or make it more difficult to raise new funds, funds (or other products). As we expand the array of vehicles that we offer to retail investors, we may increasingly rely on the Rule 506(c) safe harbor so that we can incorporate general solicitation or general advertising into offerings for certain investment products, which will require us to implement a more robust protocol to validate accredited investor status.

We are and will become further subject to additional regulatory and compliance burdens because our product offerings and investment platform include retail investors. For example, funds in certain of our Credit and Liquid Strategies business line investment vehicles are registered under the Investment Company Act as investment companies. These funds and their investment advisers are subject to the Investment Company Act and the rules thereunder, which, among other things, regulate the relationship between a registered investment company and its investment adviser and prohibit or severely restrict principal transactions and joint transactions. In addition, we have one of our or more affiliates, provides which provide investment advisory services to a BDC. BDCs are subject to certain restrictions and prohibitions under the Investment Company Act. If the entity fails to meet the requirements for a BDC, it may be regulated as a closed-end investment company under the Investment Company Act and become subject to substantially more regulatory restrictions, which could limit its operating flexibility and in turn result in decreased profitability for our affiliated advisor. We have also launched holding company conglomerates that are structured and operated in a manner that does not subject these entities to registration or regulation under the Investment Company Act. If a holding company conglomerate were required to register under the Investment Company Act, the applicable restrictions could make it impractical for the company to operate its business plans as contemplated.

which could cause KKR significant harm and materially and adversely affect our business strategy and prospects. As our business expands, we may be required to make additional registrations under the Investment Company Act or similar laws, including in jurisdictions outside the United States. Compliance with these and other U.S. and non-U.S. rules will increase our compliance costs and create potential for additional liabilities and penalties, which would divert management's attention from our business and investments.

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Rule 206(4)-5 under the Investment Advisers Act regulates "pay to play" practices by investment advisers involving campaign contributions and other payments to elected officials or candidates for political office who are able to exert influence on government clients. Among other restrictions, the rule prohibits investment advisers from providing advisory services for compensation to a government client for two years, subject to very limited exceptions, after the investment adviser, its senior executives or its personnel involved in soliciting investments from government entities make contributions to certain candidates and officials in position to influence the hiring of an investment adviser by such government client. Advisers are required to implement compliance policies designed, among other matters, to track contributions by certain of the adviser's employees and engagements of third parties that solicit government entities and to keep certain records in order to enable the SEC to determine compliance with the rule. There has also been similar rule-making rulemaking on a state-level regarding "pay to play" practices by investment advisers, including in California and New York. FINRA has released its own set of "pay to play" regulations that effectively prohibit the receipt of compensation from state or local government agencies for solicitation and distribution activities within two years of a prohibited contribution by a broker-dealer broker-dealer or one of its covered associates. Any failure on our part to comply with these rules could cause us to lose compensation for our advisory services or expose us to significant penalties and reputational damage.

#### **Other Financial Markets Regulation.**

Certain requirements imposed by regulators in the United States and abroad, as well as by U.S. and non-U.S. legislation and proposed legislation, are designed primarily to ensure the integrity of the financial markets or other objectives and are not principally designed to protect our stockholders. These laws and regulations often serve to limit our activities.

U.S. federal bank regulatory agencies have issued leveraged lending guidance covering transactions characterized by a degree of financial leverage. Although the status of the U.S. federal bank regulatory agencies' 2013 leveraged lending guidance is currently uncertain as the U.S. Government Accountability Office determined, in October 2017, that such guidance is subject to review under the U.S. Congressional Review Act, the possibility exists that, under the current or future administrations, the U.S. federal bank regulatory agencies could apply leveraged lending guidance in its 2013 form, or implement a revised or new rule that limits leveraged lending by banks. If applied by the U.S. federal bank regulatory agencies as a binding restriction, such guidance or rules could limit the amount or availability of debt financing available to borrowers and may increase the cost of financing we are able to obtain for our transactions and may cause the returns on our investments to suffer. Moreover, there has been recurring consideration among U.S. and non-U.S. regulators regarding the role of nonbank institutions in providing credit and, particularly, so-called "shadow banking," a term generally taken to refer to financial intermediation involving entities and activities outside the regulated banking system.

In particular, addition, the FSOC, Financial Stability Oversight Council ("FSOC"), an interagency body charged with identifying and monitoring systemic risk to financial markets, can designate certain nonbank financial companies as systemically important financial institutions ("SIFI") to be supervised by the U.S. Board of Governors of the Federal Reserve System. Currently, there are no nonbank financial companies with a nonbank SIFI designation. The FSOC has, however, designated certain nonbank financial companies as SIFIs in the past, and additional nonbank financial companies, which may include large asset management companies, may be designated as SIFIs in the future. In November 2023, FSOC adopted amendments to its guidance regarding procedures for designating nonbank financial companies as SIFIs, which eliminated FSOC's prioritization of an "activities-based" approach under its prior guidance for identifying, assessing and addressing potential risks to financial stability. The elimination of an "activities-based" approach over designation of an individual firm as a nonbank SIFI under the amendments to the FSOC's nonbank SIFI designation guidance adopted in November 2023 may increase the likelihood of FSOC designating one or more asset management companies as a nonbank SIFI. If we were to be designated as a SIFI, or if any of our business activities were to be identified by the FSOC or any other regulatory agency as warranting enhanced regulation or supervision by certain regulators, we could be subject to materially greater regulatory burdens, which could adversely impact our compliance and other costs, the implementation of certain of our investment strategies and our profitability. Both the FSOC 2022 and 2023 annual reports noted the potential for increased interconnectivity of the financial markets as a result of private equity firms' growing role in the insurance sector and raised concerns with the growing concentration of private debt and other complex alternative investments on the balance sheets of insurers owned by private equity firms. The FSOC 2023 annual report re-emphasized its support for the ongoing monitoring of companies in this industry to ensure the adequacy and effectiveness of regulatory and supervisory tools and its support for strengthening supervisory, credit analysis, risk management and capital frameworks applicable to insurers. In addition to FSOC's recent focus on the private equity industry more generally, the International Monetary Fund has urged global insurance authorities, and FSOC, to focus specifically on the relationships between private equity and insurance companies.

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The SEC has adopted a rule that requires a U.S. broker-dealer, or a natural person who is an associated person of a broker-dealer, to act in the best interest of a retail customer when making a recommendation of any securities transaction or investment strategy involving securities, without placing the financial or other interest of the broker, dealer or natural person who is an associated person of a broker-dealer making the recommendation ahead of the interest of the retail customer ("Regulation Best Interest"). The term "retail customer" is defined as a natural person who uses such a recommendation primarily for personal, family or household purposes, without reference to investor sophistication or net worth. The "best interest" standard would be satisfied through compliance with certain disclosure, duty of care, conflict of interest mitigation and compliance obligations. Regulation Best Interest may impose additional costs to us if we continue to expand our product offerings and investment platforms to retail customers. For discussions of the risks posed by Regulation Best Interest and similar rules on Global Atlantic, see "—Risks Related to Global Atlantic—Regulatory Risks Related to Global Atlantic—Changes to comply with new and potential laws or regulations which impose fiduciary or best interest standards in connection with the sale of Our Insurance Activities—Global Atlantic's products businesses are heavily regulated across numerous jurisdictions, including with respect to capital requirements, and changes in regulation could materially increase Global Atlantic's costs, decrease its sales and result in a material adverse impact on its reduce the profitability of our insurance business."

The U.S. Commodity Futures Trading Commission (the "CFTC"), CFTC, and in certain cases the SEC, has proposed or adopted regulations governing transactions in futures and swaps, which may limit our trading activities and our ability to implement effective hedging strategies or increase the costs of compliance. In general, our subsidiaries have not registered as regulated entities with the CFTC, and our funds generally operate pursuant to exemptions from registration, but certain transactions in futures and swaps remain subject to regulatory requirements regardless of our registration status. Among other things, CFTC regulations require aggregation of positions in futures and swaps on physical

commodities that are under common ownership, for purposes of compliance with position limits. We and other asset management firms rely on an exemption from aggregation for portfolio companies that hold positions in the relevant contracts. In addition, our funds are subject to regulatory minimum swap margin requirements, which increase the costs of trading and could make it infeasible in certain instances. Any changes in application or interpretation of the rules applicable to futures and swaps, including rules regarding registration, reporting, margin, capital requirements, and position limits, could result in significant costs for us and our funds.

In July 2019 and October 2021, a U.S. Senate bill titled "Stop Wall Street Looting Act" was introduced with the aim to regulate certain business practices by private funds (except venture capital funds) that directly, or through an affiliate, act as a "control person" by acquiring 20% or more of voting securities of a portfolio company. The bill, among other things, proposes to: require such private funds to be jointly and severally liable for debt and other obligations of a portfolio company; prohibit portfolio companies from paying dividends within 24 months of their acquisition by a private fund; impose 100% tax on any monitoring fee or transaction fee paid by portfolio companies to a private fund; apply an ordinary income tax rate, instead of a capital gains tax rate, on carried interest; and require an annual SEC disclosure of certain information about a private fund and its portfolio companies. Although the bill did not see further action after its introduction in 2019 and re-introduction in 2021, if it were to become law, our business would be materially adversely impacted, and we would be required to change various operational and investment practices, which would be costly, time-consuming and disruptive. In addition, potential changes in legislation or regulation may include higher corporate tax rate, greater scrutiny on the private equity industry or elimination of carried interest or limitations of the capital gains tax. See also "—Changes in relevant tax laws, regulations or treaties or an adverse interpretation of these items by tax authorities could adversely impact our effective tax rate and tax liability."

Certain of the funds investment vehicles we manage and certain portfolio companies that engage in originating, lending and/or servicing loans, may consider investments that would subject us to U.S. state and federal regulation, borrower disclosure requirements, limits on fees and interest rates on some loans, state lender licensing requirements, stress testing and other regulatory requirements in the conduct of their business. If our funds investment vehicles or portfolio companies engage in these activities, they may also be subject to consumer disclosures and substantive requirements on consumer loan terms and other federal regulatory requirements applicable to consumer lending that are administered by the U.S. Consumer Financial Protection Bureau. These U.S. state and federal regulatory programs are designed to protect borrowers. There is a potential for increased risk of legislative and regulatory action that could adversely limit and affect our and our portfolio companies' businesses relating to these activities.

U.S. state and federal regulators and other governmental entities have authority to bring administrative enforcement actions or litigation to enforce compliance with applicable lending or consumer protection laws, with remedies that can include fines and monetary penalties, restitution of borrowers, injunctions to conform to law, or limitation or revocation of licenses and other remedies and penalties. In addition, lenders and servicers may be subject to litigation brought by or on behalf of borrowers for violations of laws or unfair or deceptive practices. If we enter into transactions that subject us to these risks, failure to conform to applicable regulatory and legal requirements could be costly and have a detrimental impact on certain of our funds investment vehicles and ultimately on us.

In Europe and the Asia-Pacific, there are also laws and regulations that are designed to ensure the integrity of the financial markets or other objectives and are not principally designed to protect our stockholders. For example, our European subsidiaries and funds investment vehicles managed by us are subject to various EU-wide laws, regulations, their respective national implementing legislation and, for our UK subsidiaries, specific UK rules and regulations, including:

- finalized rules and guidance published by the FCA in July 2022 regarding its new Consumer Duty which sets out a new standard of care applicable to firms providing products to retail customers. This standard of care sets out new outcomes related to products and services, price and value, consumer understanding and consumer support. Firms must now consider the needs and characteristics of their retail customers to ensure that these outcomes are being met and that the products and services provided are appropriate for the customers in question. These rules only apply to products offered to retail customers in the UK, and as certain of our products are now available to such investors through third-party distributors, these new rules may increase the regulatory compliance cost of doing business in the UK;

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- the second Markets in Financial Instruments Directive ("MiFID II") and its UK equivalent (as implemented in English law via the European Union (Withdrawal) Act 2018, the Markets in Financial Instruments (Capital Markets) (Amendment) Regulations 2021 and the rules of the FCA), which imposes a range of compliance requirements on our business in areas such as transaction reporting, marketing infrastructure and securities and derivatives trading;
- the Market Abuse Regulation ("MAR") and its UK equivalent, which requires, among other things, systems and controls regarding inside information, record keeping and other prescribed procedures for market soundings, and conflicts of interest and other relevant disclosure when providing investment recommendations;
- the EU's Investment Firms Directive and the Investment Firms Regulation and their UK equivalents, which imposes a prudential regime for certain investment firms in Europe (including capital and liquidity standards), as well as various governance and remuneration obligations (including certain performance adjustment requirements to variable remuneration such as malus and clawback that apply in certain circumstances), with different rules applying depending on an investment firm's classification, which is based on factors such as the firm's size and the nature of its activities;
- other EU bank regulatory initiatives, including the Second Bank Recovery and Resolution Directive and 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 credit funds);
- the Securitization Regulation and its UK equivalent, which establishes due diligence, risk retention and disclosure regarding certain of our European investments, subsidiaries and CLOs;
- the Short Selling Regulation and its UK equivalent, which limits naked short selling of sovereign bonds and stocks;
- the Financial Conglomerates Directive and its UK equivalent, which establishes a prudential regime for financial conglomerates to address perceived risks associated with large cross-sector businesses, and could increase the costs of investing in insurance companies, investment firms and banks located in the EU;
- the Sustainable Finance Disclosure Regulation, Taxonomy Regulation and the accompanying regulatory technical standards, which impose sustainability risk assessment requirements and ESG-specific transparency disclosure and reporting requirements;

- the Securities Financing Transaction Regulation, which requires securities financing transactions to be reported to trade repositories, places additional reporting requirements on investment managers and introduces prior risk disclosures and written consent before assets are rehypothecated;
- the GDPR and its UK equivalent, which imposes stringent data protection requirements and provides for significant penalties for noncompliance; and
- the European regulation on digital operational resilience for the financial sector, and the associated directive, designed to harmonize and strengthen digital operational resilience requirements for the EU's financial services sector.

As noted above, any changes or potential or proposed changes in the regulatory framework applicable to our business may impose conduct standards, additional expenses or capital requirements on us; limit our fundraising for our investment products; result in limitations in the manner in which our business is conducted; **have an adverse impact upon our results of operations, financial condition, reputation or prospects**; impair employee retention or recruitment; **and** require substantial attention by senior **management, management**; **or otherwise materially and adversely impact us.**

**For regulatory risks specifically related to Global Atlantic, see "~~—Risks Related to Global Atlantic—Regulatory Risks Related to Global Atlantic.~~"**

#### **Portfolio Company Legal and Regulatory Environment**

We are subject to certain laws, such as certain environmental laws, takeover laws, anti-bribery, trade sanctions, trade control, anti-money laundering and anti-corruption laws, escheat or abandoned property laws, antitrust laws, data privacy and data protection laws, foreign direct investment laws and insolvency laws that may impose requirements on us and our portfolio companies as an affiliated group. As a result, we could become jointly and severally liable for all or part of fines imposed on, or debts of, our portfolio companies or be fined directly for violations committed by portfolio companies, and such fines imposed directly on us could be greater than those imposed on the portfolio company. Moreover, portfolio companies may seek to hold us responsible if any fine imposed on them is increased because of their membership in a larger group of affiliated companies.

For example, on January 27, 2021, the Court of Justice of the European Union ("CJEU") affirmed the 2014 decision of the European Commission to fine 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, and confirmed by the CJEU, on parent companies of the producers involved, including Goldman Sachs, the former parent company of one of the cartel

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members. Similarly, on July 29, 2021, the United Kingdom Competition and Markets Authority announced that it had fined a pharmaceutical company and its former parent companies, two private equity firms, more than 100 million British pounds for abuse of dominance by charging excessive and unfair prices. In addition, the U.S. Department of Justice has increasingly named private equity sponsors as co-defendants in cases brought under the False Claims Act involving allegedly unlawful conduct by portfolio companies. **In certain of those various cases**, private equity sponsors and portfolio companies have settled claims by agreeing to the payment of substantial monetary penalties. In addition, compliance with certain laws or contracts could also require us to commit significant resources and capital towards information gathering and monitoring, thereby increasing our operating costs. For example, because we may indirectly **hold control** voting securities in public utilities subject to regulation by the Federal Energy Regulatory Commission ("FERC"), including entities that may hold FERC authorization to charge market-based rates for sales of wholesale power and energy, we may be subject to certain FERC regulations, including regulations requiring us and our portfolio companies to collect, report and keep updated substantial information concerning our **ownership control** of such voting interests and voting interests in other related energy companies, corporate officers, and our direct and indirect investment in such utilities and related companies. **Additionally, certain of our portfolio companies may be subject to reporting requirements under Australia's Foreign Acquisitions and Takeovers Act (1975), which is administered by the Foreign Investment Review Board ("FIRB"), because of the composition of KKR's investment funds, among other reasons.** Such rules may subject our portfolio companies and us to costly and burdensome data collection and reporting **requirements, requirements, and penalties for non-compliance.**

In the United States, certain statutes may subject us or our funds to the liabilities of our portfolio companies. The Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), also referred to as the "Superfund," requires cleanup of sites from which there has been a release or threatened release of hazardous substances, and authorizes the U.S. Environmental Protection Agency to take any necessary response action at Superfund sites, including ordering potentially responsible parties liable for the release to pay for such actions. Potentially responsible parties are broadly defined under CERCLA and could include us.

In addition, we or certain of our investment **funds vehicles** could potentially be held liable under ERISA for the pension obligations of one or more of our portfolio companies if we or the investment **fund vehicle** were determined to be a "trade or business" under ERISA and deemed part of the same "controlled group" as the portfolio company under such rules, and the pension obligations of any particular portfolio company could be material. On March 28, 2016, a Federal District Court judge in Massachusetts ruled that two private equity funds affiliated with Sun Capital were jointly and severally responsible for unfunded pension liabilities of a Sun Capital portfolio company. While neither fund held more than an 80% ownership interest of the portfolio company, the percentage required under existing regulations to find liability, the court found the funds had formed a partnership-in-fact conducting a trade or business and that as a result each fund was jointly and severally liable for the portfolio company's unfunded pension liabilities. While a federal appellate court only upheld certain aspects of the District Court holding, if the rationale of the District Court decision were to be applied by other courts, we or certain of our investment funds could be held liable under ERISA for certain pension obligations of portfolio companies. In addition, if **the this same rationale of this decision** were expanded to apply also for U.S. federal income tax purposes, then certain of our investors could be subject to increased U.S. income tax liability or filing obligations in certain contexts. Similar laws that could be applied with similar results also exist outside of the United States. Moreover, if the general accounts or separate accounts of one or more of **Global Atlantic's our** insurance subsidiaries were to constitute "plan assets" for purposes of ERISA, in the absence of an exemption we could **potentially have incur** liability under the prohibited transaction provisions of ERISA and the Code as a result of any investment management activities by KKR with respect to, or transactions **by KKR** involving **Global Atlantic or KKR's investment vehicles with respect to**, such general account or separate account **assets, and we could become prohibited from being compensated for managing our insurance subsidiaries' assets.** See also "Certain Recent and Potential Regulatory Developments" above regarding the October 2023 U.S. Department of Labor proposed rule that, if finalized, would materially increase the **likelihood that an investment adviser, such as us, could inadvertently become a fiduciary to certain retirement plans by reason of being deemed to have rendered investment advice.**

Similarly, our portfolio companies may be subject to contractual obligations, which may impose obligations or restrictions on their affiliates. The interpretation of such contractual provisions will depend on local laws. Given that we do not control all of our portfolio companies, and that our portfolio companies generally operate independently of each other, there is a risk that we could contravene one or more of such laws, regulations and contractual arrangements due to limited access and opportunities to monitor compliance. In addition, compliance with these laws or contracts could require us to commit significant resources and capital towards information gathering and monitoring, thereby increasing our operating costs.

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Because of our ownership interest in portfolio companies, attention on our portfolio companies can also result in attention on us. For example, in the past, heightened governmental scrutiny of the healthcare, educational and educational other industries has resulted in requests by a U.S. Congressional committee and members of Congress for information from us about our investments in portfolio companies that operate in these industries. Congressional scrutiny and other similar inquiries by governmental bodies may damage our reputation and may also result in potential legislation designed to further regulate portfolio companies or the industries in which they operate, which may materially and adversely affect our portfolio companies' businesses, which in turn could decrease the value of our investments.

Similarly, Significant failures of our relationship investments to comply with Global Atlantic exposes laws and regulations applicable to them could affect the ability of our funds or us to risks and developments invest in other companies in certain industries in the insurance industry. We are a controlling future and majority stockholder of and investment adviser to Global Atlantic, and Global Atlantic's insurance subsidiaries are subject to comprehensive regulation and supervision. As an insurance company, Global Atlantic is subject to extensive regulations in the United States and Bermuda. See "—Risks Related to Global Atlantic—Regulatory Risks Related to Global Atlantic." We are therefore subject to additional risks of litigation and regulatory scrutiny relating to Global Atlantic, could harm our reputation.

For additional information about our litigation and regulatory matters, see Note 25 24 "Commitments and Contingencies—Litigation" in our financial statements. For additional information about regulatory risks we face with respect to portfolio companies in various asset classes, such as real assets, or risks we face with respect to our insurance business, please see other risks discussed in this report, including "—Risks Related to Our Investment Activities—Our investments in real assets such as real estate, infrastructure and energy may expose us to increased risks and liabilities" and "—Risks Related to Our Insurance Activities—Global Atlantic's businesses are heavily regulated across numerous jurisdictions, including with respect to capital requirements, and changes in regulation could reduce the profitability of our insurance business."

#### **Anti-corruption, sanctions and foreign direct investment laws**

Federal, state and foreign anti-corruption and trade sanctions laws and restrictions on foreign direct investment applicable to us and our portfolio companies create the potential for significant liabilities and penalties, the inability to complete transactions, imposition of significant costs and burdens, and reputational harm. If we fail to comply with these laws and regulations, we could be exposed to claims for damages, civil or criminal financial penalties, reputational harm, incarceration of our employees, restrictions on our operations and other liabilities, any of which could materially and adversely affect our business, results of operations and financial condition. In addition, we may be subject to successor liability for FCPA violations or other acts of bribery, or violations of applicable sanctions, other export control or foreign direct investment laws committed by companies in which we or our funds invest or which we or our funds acquire.

We are subject to a number of laws and regulations governing payments and contributions to political persons or other third parties, including restrictions imposed by the Foreign Corrupt Practices Act ("FCPA"), as well as trade sanctions and trade control laws administered by the Office of Foreign Assets Control ("OFAC"), the U.S. Department of Commerce and the U.S. Department of State. State, and anti-money laundering laws, including the Corporate Transparency Act ("CTA"). The FCPA is intended to prohibit bribery of foreign governments and their officials and political parties, and requires public companies in the United States to keep books and records that accurately and fairly reflect those companies' transactions. OFAC, the U.S. Department of Commerce and the U.S. Department of State administer and enforce various trade control laws and regulations, including economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign states, organizations and individuals. In February 2024, the U.S. Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN") proposed a rule that would require registered investment advisers and exempt reporting advisers ("ERAs") to, among other measures, adopt an anti-money laundering and countering the financing of terrorism ("AML/CFT") program and file certain reports with FinCEN. The proposed rule would also delegate authority to the SEC to examine registered investment advisers' and ERAs' compliance with these requirements. If this proposal is adopted, it could impose additional regulatory obligations related to AML/CFT on our investment advisory business. These laws and regulations implicate a number of aspects of our business, including servicing existing fund investment vehicle investors, finding new fund investors, and sourcing new investments, as well as activities by the portfolio companies in our investment portfolio or other controlled investments. Some of these regulations provide that penalties can be imposed on us for the conduct of a portfolio company, even if we have not ourselves violated any regulation.

The Iran Threat Reduction and Syrian Human Rights Act of 2012 ("ITRA") expanded the scope of U.S. sanctions against Iran and requires public reporting companies to disclose in their annual or quarterly reports certain dealings or transactions the company or its affiliates "knowingly" engaged in during the previous reporting period involving Iran or other individuals and entities targeted by certain OFAC sanctions. In some cases, ITRA requires companies to disclose these types of dealings or transactions even if they are permissible under U.S. law or are conducted outside of the United States by a foreign affiliate. If any such activities are disclosed in a periodic report, we are required to separately file, concurrently with such report, a notice of such disclosure. The SEC is required to post this notice on its website and send the report to the U.S. President and certain U.S. Congressional committees. The U.S. President thereafter is required to initiate an investigation and, within 180 days of initiating such an investigation, to determine whether sanctions should be imposed. Disclosure of such activity, even if such activity is not subject to sanctions under applicable law, and any sanctions actually imposed on us or our affiliates as a result of these activities, could harm our reputation and have a negative impact on our business.

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The U.S. government has also implemented and expanded a number of economic and trade sanctions programs and export controls that target Chinese entities and nationals on national security grounds and has imposed restrictions on acquiring and retaining interests in the securities of certain Chinese entities. These initiatives target, for example,



entities associated with the Chinese government's response to political demonstrations in Hong Kong, the Chinese government's treatment of Uighurs and other ethnic minorities, the Chinese government's capabilities to conduct surveillance on its own population and internationally, and more broadly the capabilities of the Chinese military, paramilitary, security and police forces, among other things. The U.S. has also enacted rules aimed at restricting China's ability to obtain advanced computing chips, develop and maintain supercomputers, and manufacture advanced semiconductors, as well as expanded export control laws to reach additional items produced outside of the United States, restricted the ability of U.S. persons to support the development or production of integrated circuits at certain semiconductor fabrication facilities in China, and added new license requirements for certain items destined for China. In January 2021, China's Ministry of Commerce return, China has issued The Rules on Counteracting Unjustified Extraterritorial Application of Foreign Legislation rules and Other Measures laws to counteract the impact of foreign sanctions on Chinese persons by enabling Chinese citizens, legal persons, and other organizations to seek remedies as a result of prohibitions or restrictions on normal economic, trade, and related activities with persons of other countries. Furthermore, in June 2021, China enacted the Anti-Foreign Sanctions Law which authorizes countries, and authorized 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 may then face penalties in China. China has also instituted tariffs on certain U.S. goods and may impose additional tariffs on U.S. products in the future. Further, For example, 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. These rules added certain advanced chips, computer commodities containing such chips, and semiconductor manufacturing equipment to the Commerce Control List of the Export Administration Regulations ("EAR"). In addition, they expanded the scope of the EAR to reach additional items produced outside the United States, 2023, China restricted the ability export of U.S. persons to support the development or production of integrated circuits at certain semiconductor fabrication facilities in China, gallium and added new license requirements for certain items destined to China. The U.S. has also added several Chinese companies related to its domestic semiconductor industry to the

Commerce Department Entity List and is coordinating with other countries germanium products, which are used in the semiconductor supply chain, to include Japan fabrication of microchips, and may impose additional export restrictions in the Netherlands, to align restrictions on trade with Chinese semiconductor companies. future.

Similar laws in non-U.S. jurisdictions, such as EU sanctions and blocking statutes, the UK Bribery Act, as well as other applicable anti-bribery, anti-corruption, anti-money laundering, or sanction or other export control, or related laws in the United States and abroad, may also impose stricter or more onerous requirements than the FCPA, OFAC, the U.S. Department of Commerce, the U.S. Department of State or U.S. Department of Treasury, and implementing them may disrupt our business or cause us to incur significantly more costs to comply with those laws. Different laws may also contain conflicting provisions, making compliance with all laws more difficult. For example, the EU has adopted measures, such as Council Regulation (EC) No. 2271/96, that could restrict certain persons and entities subject to EU jurisdiction from complying with extra-territorial sanctions imposed by other jurisdictions, such as the U.S. If we fail to comply with these laws and regulations, we could be exposed to claims for damages, civil or criminal financial penalties, reputational harm, incarceration of our employees, restrictions on our operations and other liabilities, which could materially and adversely affect our business, results of operations and financial condition. In addition, we may be subject to successor liability for FCPA violations or other acts of bribery, or violations of applicable sanctions, other export control or foreign direct investment laws committed by companies in which we or our funds invest or which we or our funds acquire.

In addition, the U.S. and many non-U.S. countries that have laws designed to protect national security or to restrict foreign direct investment. For example, under the U.S. Foreign Investment Risk Review Modernization Act ("FIRRMA"), the Committee on Foreign Investment in the United States ("CFIUS") has the authority to review, block or impose conditions on investments by non-U.S. persons in U.S. companies or real assets deemed critical or sensitive to the United States. Many non-U.S. jurisdictions have similar laws, for example: the EU 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 has initiated a consultative or legislative process expected to result in the adoption of a new mechanism or amendments to an existing mechanism, adopted a regulation 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. Beginning in February 2022, the United States and other countries began imposing meaningful imposed sanctions targeting Russia as a result of actions taken by Russia in Ukraine. We In addition, in 2023, certain U.S. states have enacted their own state-level restrictions on Chinese investments. The U.S. government also announced in 2023 an Advanced Notice of Proposed Rule Making, which is seeking comments on a proposed rule that would restrict out-bound investments by U.S. persons in certain national security technologies and products. Other countries may adopt similar outbound 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. These laws may impact the ability of non-U.S. limited partners to participate in certain of our portfolio companies will be required to comply with these and potentially additional sanctions imposed by the United States and by other countries, for which the full costs, burdens, and limitations on our and our portfolio companies' businesses and prospects are currently unknown and may become significant. investment strategies.

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Under these laws, governments have the authority to impose a variety of actions, including requirements for the advance screening or notification of certain transactions, blocking or imposing conditions on certain transactions, limiting the size of foreign equity investments or control by foreign investors, and restricting the employment of foreigners as key personnel. These actions could limit our ability to find suitable investments, cause delays in consummating transactions, result in the abandonment of transactions, and impose burdensome operational requirements on our portfolio companies. These laws could also negatively impact our fundraising and syndication activities by causing us to exclude or limit certain investors in our funds or co-investors for our transactions. Moreover, these laws may make it difficult for us to identify suitable buyers for our investments that we want to exit and could constrain the universe of exit opportunities generally. Complying with these laws imposes potentially significant costs and complex additional burdens, and any failure by us or our portfolio companies to comply with them could expose us significant penalties, sanctions, loss of future investment opportunities, additional regulatory scrutiny, and reputational harm.

**We face significant liabilities and damage to our professional reputation harm as a result of litigation allegations legal claims, litigations, investigations, and negative publicity.**



The activities of our businesses, including the investment decisions we make and the activities of our employees, in connection with our funds, portfolio companies, insurance subsidiaries, publicly listed vehicles, or other investment vehicles, may subject us, our business, and them our employees, officers and directors to the risk of litigation by third parties, including fund investors dissatisfied with the performance or management various governmental and regulatory authorities who may conduct examinations, inquiries and investigations of KKR. See "—Risks Related to Our Business—Extensive regulation of our funds, businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect KKR." Other potential litigants include our stockholders, our fund investors, holders of our or our portfolio companies' debt or equity, Global Atlantic's our insurance policyholders, public stockholders, and a variety of other potential litigants. See For a description of certain litigation against KKR, see Note 25 24 "Commitments and Contingencies—Litigation" in our financial statements. For example, we,

We, our funds investment vehicles and certain of our employees are each exposed to the risks of litigation relating to our investment activities of our funds, or insurance subsidiaries and publicly listed vehicles, and business, as well as relating to actions taken by the officers and directors (some of whom may be KKR employees) of our portfolio companies, such as lawsuits by other shareholders stockholders of our public portfolio companies or holders of debt instruments of companies in which we or our funds have significant investments, portfolio companies. We are also exposed to risks of litigation, investigation or negative publicity in the event of any transactions that are alleged not to have been properly considered and approved under applicable law.

Although investors in our funds do not have legal remedies against us, the general partners of our funds, our funds, our employees or our affiliates solely based on their dissatisfaction with the investment performance of those funds, such investors may have remedies against us, the general partners of our funds, our funds, our employees or our affiliates to the extent any losses result from fraud, gross negligence, willful misconduct or other similar misconduct. While the general partners and investment advisers to our investment funds, including their directors, officers, employees and affiliates, are generally indemnified to the fullest extent permitted by law with respect to their conduct in connection with the management of the business and affairs of our investment funds, such indemnity generally does not extend to actions determined to have involved fraud, gross negligence, willful misconduct or other similar misconduct. If any civil or criminal lawsuits were brought against us and resulted in a finding of substantial legal liability or culpability, the lawsuit could materially and adversely affect our business, results of operations and financial condition or cause significant reputational harm to us, which could seriously impact our business, us.

In addition, public sentiment attention could at any time focus on us, our industry and or companies in which our funds investment vehicles are invested, which could result in governmental action or other adverse consequences. Furthermore, the rise of populist political movements has generated, and may continue to generate, a growing negative public sentiment toward globalization, free trade, capitalism and financial institutions, which could lead to heightened scrutiny and criticisms of our business and our investments, investments, including governmental or regulatory inquiries and investigations or other adverse consequences. See "—Risks Related to Our Business—Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect our business" KKR" and "—Risks Related to Our Business—We are subject to increasing focus by some of our fund investors, stockholders, regulators and other stakeholders on environmental, social and governance matters." The risk of reputational harm is elevated by the prevalence of internet and social media usage and the increased public focus on behaviors and externalities of business activities. We depend to a large extent on our business relationships and our reputation for integrity and high-caliber professional services to attract and retain fund investors and qualified professionals and to pursue investment opportunities for our funds, opportunities. As a result, allegations of improper conduct by private litigants or regulators, by governmental or regulatory authorities, whether the ultimate outcome is favorable or unfavorable to us, as well as negative publicity and press speculation about us, our investment activities or the private equity industry in general, whether or not valid, may harm our reputation, which may be more damaging to our business than to other types of businesses.

With a workforce composed of many highly-paid professionals, we face the risk of litigation relating to claims for compensation or other damages, which may, individually or cause volatility and speculation in the aggregate, be significant in amount. The cost trading of settling any such claims could negatively impact our business, results common stock, and impair our relationships with existing and prospective investors, employees, and other stakeholders.

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**Certain types of investment vehicles, especially those offered to individual investors, may subject us to a variety of risks, including new and greater levels of public and regulatory scrutiny, regulation, risk of litigation and reputational risk, which could materially and adversely affect us.**

We have increasingly undertaken business initiatives to increase the number and type of investment products and vehicles we offer to investors, especially individual investors. We have also launched 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. The offering of opportunities to invest in any funds investment companies registered under the Investment Company Act (or other non-U.S. funds) or other investment vehicles that we refer to as "semi-liquid" or "democratized access" vehicles, vehicles) and in operating companies not registered under the Investment Company Act may result in increased risks, including the vehicles we call K-Series, which could materially and adversely affect us. Our investment adviser subsidiaries or affiliates currently externally manage or advise a number of such vehicles, including KKR Real Estate Finance Trust (a REIT listed on the NYSE), KKR Income Opportunities Fund (a closed-end management investment company listed on the NYSE), KKR Credit Income Fund (an Australian listed investment trust), FS KKR Capital Corp. (a BDC listed on the NYSE) and a number some of other vehicles which are expected to be launched at various times in the future, publicly traded, which involves heightened risks of litigation. To the extent opportunities to invest in these types of vehicles are made available to individual (non-institutional) investors (including public investors as well as investors often described as high net worth individuals, family offices, mass affluent individuals or accredited investors), this expansion of our investor base may enhance the level of risks applicable to us and also may introduce new types of risks. The principal risks associated with many of these types of vehicles include:

- Operational risks, such as obligations to conduct more frequent valuation processes. These types of requirements will place increased demands on our employees, require administrative, operational and accounting resources, and incur significant expenses;
- Compliance and regulatory risks, such as managing potential conflicts of interest relating to allocation of potential investment opportunities and otherwise, conducting due diligence on distribution partners, and compliance with the requirements of, or for exclusion from regulation under, the Investment Company Act and other securities laws and regulations; regulations (see also "—Risks Related to Our Investment Activities—Third-party investors in our investment vehicles with commitment-based structures may not satisfy their contractual obligation to fund capital calls when requested by us, which could adversely affect an investment vehicle's operations and performance");
- Liquidity risk, such as sizing of liquidity reserves in order to satisfy any periodic investor redemption requests, which is a feature that is typically not allowed for investors in our traditional investment vehicles. See "—Risks Related to

~~the Assets We Manage—~~ Our Investment Activities—Investors in certain of our investment vehicles are entitled to redeem their investments in these vehicles on a periodic basis" basis, and certain of our investment advisory agreements may be terminated with minimal notice";

- Litigation risks, such as claims related to adequacy of disclosures, suitability and board of director oversight. Failure to comply with these requirements could result in civil lawsuits, regulatory penalties, enforcement actions, or potentially lead to suspension of trading, de-listing from an exchange, de-registration or liquidation. Many of these vehicles may also face significant additional litigation risks, including the increased potential for class actions and other investor lawsuits, which would distract our employees, including our investment professionals. The boards of directors of these vehicles and their investors could also seek recourse against KKR itself for any alleged mismanagement by our investment adviser subsidiaries or affiliates; and
- Reputational risk, as we may incur significant costs in connection with such investments, which ultimately may result in significant losses, as well as reputational harm. Furthermore, if the investors in these vehicles were to be dissatisfied with the investment performance or disagree with investment strategies employed by us, they may seek to cause the board of directors of the relevant vehicle to terminate its investment management agreement with us or change the terms of such agreement in a manner that is less favorable to us or redeem their investment to the extent permitted.

We have and expect to continue to distribute products through new channels, including through unaffiliated firms, and we may not be able to effectively monitor or control the manner of their distribution, which could result in litigation against us or reputational harm, including with respect to, among other things, claims that products distributed through such channels are distributed to customers for whom they are unsuitable or distributed in any other inappropriate manner. The distribution of products through new channels whether directly or through market intermediaries, including in the individual investor or private wealth management channel, could expose us to additional regulatory risk in the form of allegations of improper conduct and/or actions by state and federal regulators against us with respect to, among other things, product suitability, conflicts of interest and the adequacy of disclosure to customers to whom our products are distributed through those channels. In addition, legislative and regulatory action could adversely limit and affect our efforts to seek, or to manage vehicles that have investments from, individual investors. Although we seek to ensure through due diligence and onboarding procedures that the third-party channels through which individual investors access our investment products conduct themselves responsibly, we are exposed to the risks of reputational damage and legal liability to the extent such third parties improperly sell our products to

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investors. For example, in certain cases, we may be viewed by as responsible for the content of materials prepared by third-party distributors. Similarly, there is a risk that our 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.

Although individual investors have not constituted a substantial amount of our historic investment vehicle investor base, it is likely that we will increasingly undertake business initiatives to increase the number and type of democratized access vehicles we offer to individual investors. We expect investment opportunities offered to individual investors to continue to grow to represent a larger percentage of our AUM as our historical pools of capital provided by institutional investors, such as pension funds, do not grow as much in the future. Accordingly, we are, and may become further, subject to additional regulatory and compliance requirements because our product offerings and investment platform will begin to include a higher percentage of individual investors as compared to our historical investor base.

In some cases, our democratized access investment vehicles are distributed to individual investors indirectly through third party managed vehicles sponsored by brokerage firms, banks or third-party feeder providers, and in other cases, directly to the qualified clients of banks, independent investment advisors and broker-dealers. In other cases, we create investment products specifically designed for direct investment by individual investors in the U.S. or similar investors in non-U.S. jurisdictions. Our initiatives to expand our individual investor base, including marketing, creating and maintaining the types of products and vehicles that they may invest in, requires the investment of significant time, effort and resources, including the potential hiring of additional personnel, the implementation of new operational, compliance and other systems and processes and the development or implementation of new technology. There is no assurance that our efforts to grow our individual investor assets under management will be successful. In addition, these aforementioned efforts to expand our individual investor base and/or our focus on the development of these democratized access vehicles could be negatively perceived as a strategic realignment of our focus by our traditional fund investment vehicle investors, which may be perceived as adverse to their interests, and which could cause us to be materially and adversely affected to the extent our traditional fund investment vehicle investors decide to move investments to our competitors.

The distribution of products suitable for individual investors, including through new channels whether directly or through market intermediaries, could expose us 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, 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 organization documents. Increased risk of legislative and regulatory action could adversely limit and affect our efforts to seek, or to manage vehicles that have investments from, individual investors.

We have entered into and plan to enter into investment management agreements with other similar investment vehicle types and other vehicle types in the future. Such vehicles may allow us to invest potentially more capital and potentially receive relatively more stable fee revenues, while providing varying amounts of liquidity to investors in such vehicles (pursuant to the terms of the applicable democratized access vehicle governing agreements). However, these vehicles may be subject to the heightened regulatory requirements applicable to certain semi-liquid or democratized access vehicles, including compliance with the laws and regulations of the SEC, the Investment Company Act (or the requirements for exclusion from regulation thereunder), the Exchange Act, the Sarbanes-Oxley Act of 2002 and any national securities exchanges on which their securities are listed, among others. As our business expands, we may be required to register additional vehicles under the Investment Company Act or similar laws, including in jurisdictions outside of the United States. Compliance with these and other U.S. and non-U.S. rules will increase our compliance costs and create potential for additional liabilities and penalties, which could divert the attention of management of these investment vehicles from their business and investments. See "—Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect our business" for further detail on proposed and adopted regulations which may materially adversely affect us. Relatedly, as we expand the distribution of these products including democratized access vehicles, to investors outside of the U.S., we are

increasingly exposed to risks in non-U.S. jurisdictions. While these risks are similar to those that we face in the distribution of products to investors in the U.S., securities laws and other applicable regulatory regimes in many jurisdictions, including the UK and the EEA, are extensive, complex, and vary by local jurisdiction. As a result, this expansion subjects us to additional regulatory risk and potential litigation.

#### **Failure to protect our intellectual property rights adequately may have a material adverse effect on our results**

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Although we use a broad range of measures to protect their respective intellectual property rights, third parties may infringe or misappropriate our intellectual property, and we cannot provide any assurances that these protections will be adequate to prevent competitors from copying or reverse-engineering our services or independently developing and marketing services that are substantially equivalent to or superior to ours. Moreover, third parties may be able to successfully challenge, oppose, invalidate, render unenforceable, dilute, misappropriate or circumvent our trademarks, copyrights, patent and other intellectual property rights.

We may fail to maintain or be unable to obtain adequate protections for our intellectual property in the U.S. or foreign countries. Further, our intellectual property rights may not receive the same degree of protection in foreign countries as they would in the United States because of the differences in foreign trademark, copyright, patent and other laws concerning proprietary rights. Such failure or inability to obtain or maintain adequate protection of our intellectual property rights for any reason could have a material adverse effect on our business, results of operations and financial condition. Monitoring and protecting intellectual property rights can be challenging and costly. From time to time, we may be required to initiate litigation or other action to enforce its intellectual property rights or to establish their validity and enforceability. Such action could result in substantial cost and diversion of resources and management attention, and we cannot provide any assurances that any such action will be successful.

#### **Misconduct of our employees, consultants or sub-contractors or by our portfolio companies could harm us by impairing our ability to attract and retain clients and subjecting us to significant legal liability and reputational harm.**

There is a risk that our employees, consultants or sub-contractors could engage in misconduct that adversely affects our business. We are subject to a number of obligations and standards arising from our business and our authority over the assets we manage. The violation of these obligations and standards by any of our employees, consultants or sub-contractors would adversely affect our clients and us. We may also be adversely affected if there is misconduct by senior management of portfolio companies in which we invest, even though we may be unable to control or mitigate such misconduct. Such misconduct may also negatively affect the valuation of the investments in such portfolio companies. Our current and former employees, consultants or sub-contractors and those of our portfolio companies may also become subject to allegations of sexual harassment, racial and gender discrimination or other similar misconduct, which, regardless of the ultimate outcome, may result in adverse publicity that could significantly harm our and such portfolio company's brand and reputation. Furthermore, our business often requires that we deal with confidential matters of great significance to companies in which we may invest. If our employees, consultants or sub-contractors were improperly to use or disclose confidential information, we could suffer serious harm to our reputation, financial position and current and future business relationships, as well as face potentially significant litigation or investigation. It is not always possible to detect or deter such misconduct, and the precautions we take may not be effective in all cases. If any of our employees, consultants or sub-contractors or the employees of portfolio companies were to engage in misconduct or were to be accused of such misconduct, our business and our reputation could be materially and adversely affected.

#### **Our capital markets activities expose us to material risks.**

Through our broker-dealer subsidiaries and their related entities, we provide a broad range of capital markets services that include acting as an advisor or as an agent, principal, underwriter, syndicator, arranger or other form of intermediary in connection with securities transactions, debt or equity syndications, loan transactions, derivative transactions and other types of financings and financial arrangements. We rely upon our counterparties to consummate the transactions that they indicate or commit to enter into with us. However, we may incur significant losses in connection with our capital markets activities, including to the extent that, for any reason, (i) our counterparties fail to acquire or pay for the securities, debt, equity or loans that we expected to sell, place or syndicate to them, or (ii) we are unable to receive our anticipated payments for any other transaction or are otherwise unable to dispose of any financial exposure that we incur at the prices that we anticipated or at all. The incurrence of any such losses may cause a materially adverse impact to our results of operations, financial condition or liquidity. We also may be subject to potential underwriter liability or regulatory consequences for material misstatements or omissions in prospectuses or other offering documents relating to transactions in which we are involved. We conduct capital markets activities in connection with transactions in which our investment funds or insurance companies may participate as a purchaser or a seller of securities, which could constitute a conflict of interest or subject us to regulatory scrutiny, liabilities or reputational harm. See "—Extensive regulation of

#### **Risk management activities may not be effective and, consequently, may adversely affect us.**

KKR seeks to identify, monitor and manage financial and non-financial risks effectively. However, KKR cannot guarantee that it can accurately or effectively price, identify and predict, manage or ameliorate its risks. Gaps in our businesses affects (including our activities insurance subsidiaries') risk management policies and creates the potential for significant liabilities and penalties, procedures may leave us exposed to unidentified or unanticipated risk, which could materially and adversely affect us. Developing an effective framework for assessing and managing risks is complex. No framework or strategy can completely insulate KKR from all risks, and KKR may be unable to identify all risks and limit its exposures based on its assessments. Furthermore, there can be no assurance that KKR can effectively review and monitor all risks or that all of KKR's employees will follow its risk management policies and procedures. If KKR's modeling of, processes relating to, analysis of or management of risk do not accurately predict and appropriately respond to future risk exposures, such risks could have a material adverse effect on KKR.

With respect to our business."

#### **Our use investing activities in our asset management business, we employ hedging strategies or certain forms of derivative financial instruments to manage risk limit our exposure to changes in our capital markets and insurance business the relative values of investments that may not be effective or efficient.**

We employ derivative financial instruments and other types of strategies to hedge, manage or otherwise reduce certain risks that arise result from market developments, including changes in connection with our capital markets activities and insurance business, such as prevailing interest rate risks, foreign rates, currency risks, exchange rates, commodity prices, equity price prices and general market risks. The use of derivative financial instruments and these other risk management strategies may not be properly designed to hedge, manage or other reduce the risks as intended, may not be properly implemented as designed, or otherwise not effectively offset the risks we have identified. We may not have identified, or may not even be able to identify, all the material risks relevant for our capital markets activities or insurance business, and we also may choose not to hedge, in whole or in part, any of the risks that have been identified. Global Atlantic's hedging activities seek to mitigate economic impacts relating to its insurance products, which may result in additional volatility in GAAP results, adverse impacts on regulatory capital, and may not effectively offset any changes in insurance reserves. If our hedging risk management strategy is ineffective or inefficient, we may experience a materially adverse impact to our results of operations, financial condition or liquidity. One part of our capital markets risk management strategy is to enter into arrangements with third parties that are designed to reduce our risk when underwriting certain debt transactions. As of December 31, 2022, KKR Capital Markets Holdings L.P entered into such arrangements representing a total notional amount of \$4.5 billion. If these counterparties or other derivative

counterparties or clearinghouses fail or refuse to meet their obligations, then our efforts to mitigate risks may prove to be ineffective or ineffective, and we may experience a materially adverse impact to our results of operations, financial condition or liquidity. If such failure or refusal were to occur, or if these counterparties fail to renew their arrangements and we are unable to find suitable replacements, then our ability to continue to conduct large capital markets transactions or insure certain insurance products with guaranteed benefits in the future may be impaired.

**We are subject to risks in using third-party service providers, including prime brokers, custodians, administrators and other agents.**

Certain of our investment funds, finance vehicles and our principal trading activities depend on the services of third-party service providers, including prime brokers, custodians, escrow agents, placement agents, administrators and other agents, to carry out administrative or other services, including valuations, securities transactions, tax preparation, insurance policy administration and government filings. We are subject to risks of errors and mistakes made by these third parties, which may be attributed to us and subject us (including our insurance subsidiaries) or our funds to reputational damage, penalties or losses. We may be unsuccessful in seeking reimbursement or indemnification from these third-party service providers.

Furthermore, in the event of the insolvency of a prime broker and/or custodian, our funds may not be able to recover equivalent assets in full as they will rank among the prime broker's and custodian's unsecured creditors in relation to assets that the prime broker or custodian borrows, lends or otherwise uses. In addition, our and our funds' cash held with a prime broker or custodian may not be segregated from the prime broker's or custodian's own cash, and our funds therefore may rank as unsecured creditors in relation to that cash. The inability to recover assets from the prime broker or custodian could have a material adverse impact on the performance of our funds and our business, results of operations and financial condition.

Counterparties have generally reacted to recent market volatility by tightening their underwriting standards and increasing their margin requirements for all categories of financing, which has the result of decreasing the overall amount of leverage available and increasing the costs of borrowing. Many of our funds have credit lines, and if a lender under one or more of these credit lines were to become insolvent, we may have difficulty replacing the credit line and one or more of our funds may face liquidity problems.

Default risk may arise from events or circumstances that are difficult to detect, foresee or evaluate. In addition, concerns about, or a default by, one large market participant could lead to significant liquidity problems for other market participants, which may in turn expose us to significant losses. We may not accurately anticipate the impact of market stress or counterparty financial condition, and as a result, we may not have taken sufficient action to reduce these risks effectively, which, if left unmitigated, could have a material adverse effect on our business, results of operations and financial condition.

For discussions of the risks related to Global Atlantic's use third-party service providers, see "—Risks Related to Global Atlantic—Business Risks Related to Global Atlantic—Global Atlantic depends on the performance of its third-party service providers, including distribution partners and agents, and their failure to perform in a satisfactory manner could negatively affect Global Atlantic's business."

**Risks Related to the Assets We Manage**

As an investment manager, we sponsor and manage funds that make investments worldwide on behalf of third-party investors and, in connection with those activities, are required to deploy our own capital in those investments. The investments of these funds are subject to many risks and uncertainties which, to the extent they are material, are discussed below. In addition, we have investments on our balance sheet, which we manage for our own behalf. These risks, as they apply to our balance sheet investments, may have a greater impact on our results of operations and financial conditions as we directly bear the full risk of our balance sheet investments. As a result, the gains and losses on such assets are reflected in our net income and the risks set forth below relating to the assets that we manage will directly affect our operating performance.

**Future results of our funds, our insurance subsidiaries or our balance sheet investments may be different than, and may not achieve the levels of, any of their historical returns.**

We have presented in this report certain information relating to our investment returns, such as net and gross internal rates of return (IRR), multiples of invested capital and realized and unrealized investment values for funds that we have sponsored and managed. Historical returns of our funds should not be relied upon as indicative of the future results that you should expect from our funds and are not indicative of the future results of our insurance subsidiaries or our balance assets. In particular, the future results may differ significantly from their historical results for the following reasons, among others:

- the rates of returns of our funds reflect unrealized gains as of the applicable valuation date that may never be realized, which may adversely affect the ultimate value realized from those funds' investments;
- certain historical returns that we present in this report are based on the performance of our historical private equity funds, the results of which have already been realized and are significantly less relevant for raising capital for our future funds;
- the future performance of our funds will be affected by macroeconomic and other factors, including negative factors arising from disruptions in the global financial markets or tensions in global trade, which may not have been prevalent in the periods relevant to the historical return data included in this report;
- in some historical periods, the rates of return of some of our funds have been positively influenced by a number of investments that experienced a substantial decrease in the average holding period of such investments and rapid and substantial increases in value following the dates on which those investments were made; those trends and rates of return may not be repeated in the future as the actual or expected length of holding periods related to investments is likely longer than such historical periods;
- our newly established funds may generate lower returns during the period that they take to deploy their capital, which may result in little or no carried interests due to performance hurdles;
- our funds' returns have benefited from investment opportunities and general market conditions in certain historical periods that may not repeat themselves, and there can be no assurance that our current or future funds will be able to avail themselves of comparable investment opportunities or market conditions; and

- we may create new funds and investment products in the future that reflect a different asset mix in terms of allocations among funds, investment strategies, geographic and industry exposure, vintage year and economic terms.

In addition, our historical rates of return reflect our historical cost structure, which has varied and may vary further in the future. Certain of our newer funds, for example, have lower fee structures and also have performance hurdles. Future returns will also be affected by the risks described elsewhere in this report, including risks of the industry sectors and businesses in which a particular fund invests and changes in laws. See "—Risks Related to Our Business—Difficult market and economic conditions can adversely affect our business in many ways, which could adversely impact our net income, cash flow, financial condition and prospects."

***Our valuation methodologies for certain assets can be subjective and the fair value of assets established pursuant to such subjective methodologies may never be realized, which could result in significant losses for our funds and us.***

There are no readily ascertainable market prices for a substantial majority of illiquid investments of our investment funds, our finance vehicles, insurance subsidiaries or other assets on our balance sheet. When determining fair values of investments, we use the last reported market price as of the statement of financial condition date for investments that have readily observable market prices. When an investment does not have a readily available market price, the fair value of the investment represents the value, as determined by us in good faith, at which the investment could be sold in an orderly disposition over a reasonable period of time between willing parties other than in a forced or liquidation sale. There is no single standard for determining fair value in good faith and in many cases fair value is best expressed as a range of fair values from which a single estimate may be derived. When making fair value determinations for our private equity investments, we typically use a market multiples approach that considers a specified financial measure (such as EBITDA) and/or a discounted cash flow analysis. Real asset investments in infrastructure, energy and real estate are valued using one or more of the discounted cash flow analysis, market comparables analysis and direct income capitalization, which in each case incorporates significant assumptions and judgments, and in certain cases, utilizes the services of independent valuation firms. Credit investments are valued using values obtained from dealers or market makers, and where these values are not available, credit investments are valued by us based on ranges of valuations determined by an independent valuation firm. For a majority of Global Atlantic's available-for-sale fixed maturity securities and other investments, the determination of fair value is based on valuation methodologies, securities Global Atlantic deems to be comparable and assumptions deemed appropriate based on market conditions specific to the security.

Each of these methodologies requires estimates of key inputs and significant assumptions and judgments. We also consider a range of additional factors that we deem relevant, including the applicability of a control premium or illiquidity discount, the presence of significant unconsolidated assets and liabilities, any favorable or unfavorable tax attributes, the method of likely exit, financial projections, estimates of assumed growth rates, terminal values, discount rates including risk free rates, capital structure, risk premiums, commodity prices and other factors, and determining these factors may involve a significant degree of our management's judgment and the judgment of management of our portfolio companies.

Because valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed. Even if market quotations are available for our investments, such quotations may not reflect the value that we would actually be able to realize because of various factors, including possible illiquidity associated with a large ownership position, subsequent illiquidity in the market for a company's securities, future market price volatility or the potential for a future loss in market value based on poor industry conditions or the market's view of overall company and management performance. Our stockholders' equity could be adversely affected if the values of investments that we record is materially higher than the values that are ultimately realized upon the disposal of the investments and changes in values attributed to investments from quarter to quarter may result in volatility in our AUM and such changes could materially affect the results of operations that we report from period to period. There can be no assurance that the investment values that we record from time to time will ultimately be realized and that we will be able to realize the investment values that are presented in this report.

Because there is significant uncertainty in the valuation of, or in the stability of the value of, illiquid investments, the fair values of investments reflected in an investment fund's or vehicle's net asset value ("NAV") do not necessarily reflect the prices that would actually be obtained by us on behalf of the fund or finance vehicle when such investments are realized. For example, there may be liabilities such as unknown or uncertain tax exposures with respect to investments, especially those outside the United States, which may not be fully reflected in valuations. Realizations at values significantly lower than the values at which investments have been reflected in prior fund NAVs would result in losses for the applicable fund and the loss of potential carried interest and other fees. Also, if realizations of our investments produce values materially different than the carrying values reflected in prior fund NAVs, fund investors may lose confidence in us, which could in turn result in difficulty in raising capital for future funds.

In addition, because we value our entire portfolio only on a quarterly basis, subsequent events that may have a material impact on those valuations may not be reflected until the next quarterly valuation date.

***Various economic conditions and events outside of our control that are difficult to quantify or predict may have a significant impact on the valuation of our investments and, therefore, on our results of operations and financial condition.***

Our investments are impacted by various economic conditions and events outside of our control that are difficult to quantify or predict, which may have a significant impact on the valuation of our investments and, therefore, on the investment income we realize and our results of operations and financial condition. These risks include:

- Global equity markets, which have been and are expected to continue to be volatile, significantly impact the valuation of our portfolio companies and, therefore, the investment income that we recognize. If equity valuations decline (due to multiple contraction or otherwise), then our performance may be materially adversely impacted. For our investments that are publicly listed and thus have readily observable market prices, global equity markets have a direct impact on valuation. For other investments, these markets have an indirect impact on valuation as we typically utilize market multiples (i.e., stock price of comparable companies divided by earnings or cash flow) as a critical input to ascertain fair value of our investments that do not have readily observable market prices. In addition, the valuation for any particular period may not be realized at the time of disposition. For example, because our private equity funds often hold very large amounts of the securities of their portfolio companies, the disposition



of these securities often takes place over a long period of time, which can further expose us to volatility risk. In addition, the receptivity of equity markets to initial public offerings, as well as subsequent secondary equity offerings by companies already public, impacts our ability to realize investment gains. Unfavorable market conditions, market volatility and other factors may also adversely impact our strategic partnerships with third-party hedge fund managers by influencing the level or pace of subscriptions or redemptions from the funds managed by our partners.

- Changes in credit markets can also impact valuations and may have offsetting results depending on the valuation methodology used. For example, we typically use a discounted cash flow analysis as one of the methodologies to ascertain the fair value of our investments that do not have readily observable market prices. If applicable interest rates rise, then the assumed cost of capital for those portfolio companies would be expected to increase under the discounted cash flow analysis, and this effect would negatively impact their valuations if not offset by other factors. Rising U.S. interest rates may also negatively impact certain foreign currencies that depend on foreign capital flows. Higher interest rates in conjunction with slower growth or weaker currencies in some emerging market economies have caused, and may further cause, the default risk of these countries to increase, and this could impact the operations or value of our investments that operate in these regions. Conversely, a fall in interest rates can positively impact valuations of certain portfolio companies if not offset by other factors. Low interest rates related to monetary stimulus and economic stagnation may negatively impact expected returns on all types of investments. These impacts could be substantial depending upon the magnitude of the change in interest rates. In certain cases, the valuations obtained from the discounted cash flow analysis and the other primary methodology we use, the market multiples approach, may yield different and offsetting results. For example, the positive impact of falling interest rates on discounted cash flow valuations may offset the negative impact of the market multiples valuation approach and may result in less of a decline in value than for those investments that had a readily observable market price. Any adverse change to the cost of borrowing resulting from the LIBOR transition could also negatively impact the valuations of our investments and could result in us receiving lower interest income for our credit funds. Finally, low interest rates related to monetary stimulus and economic stagnation may also negatively impact expected returns on all investments, as the demand for relatively higher return assets increases and supply decreases.
- Foreign exchange rates can materially impact the valuations of our investments that are denominated in currencies other than the U.S. dollar. For example, U.S. dollar appreciation relative to other currencies is likely to cause a decrease in the dollar value of non-U.S. investments to the extent unhedged. Currency volatility can also affect our businesses and investments that deal in cross-border trade. The appreciation or depreciation of the U.S. dollar is expected to contribute to a decrease or increase, respectively, in the U.S. dollar value of our non-U.S. investments to the extent unhedged. In addition, an appreciating U.S. dollar would be expected to make the exports of U.S. based companies less competitive, which may lead to a decline in their export revenues, if any, while a depreciating U.S. dollar would be expected to have the opposite effect. Moreover, when selecting investments for our investment funds that are denominated in U.S. dollars, an appreciating U.S. dollar may create opportunities to invest at more attractive U.S. dollar prices in certain countries outside of the United States, while a depreciating U.S. dollar would be expected to have the opposite effect. For our investments denominated in currencies other than the U.S. dollar, the depreciation in such currencies will generally contribute to the decrease in the valuation of such investments, to the extent unhedged, and adversely affect the U.S. dollar equivalent revenues of portfolio companies with substantial revenues

denominated in such currencies, while the appreciation in such currencies would be expected to have the opposite effect. Areas that have central bank quantitative easing or tightening campaigns affecting their interest rates relative to the United States could potentially experience further currency volatility relative to the U.S. dollar.

- Conditions in commodity markets impact the performance of our portfolio companies and other investments in a variety of ways, including through the direct or indirect impact on the cost of the inputs used in their operations as well as the pricing and profitability of the products or services that they sell. The price of commodities has historically been subject to substantial volatility, which among other things, could be driven by economic, monetary, political or weather-related factors. When commodity prices decline or if a decline is not offset by other factors, we would expect the value of our energy real asset investments to be adversely impacted, to the extent unhedged. In general, we expect downward price movements to have a negative impact on the fair value of our energy portfolio, all other things being equal, given those commodity prices are an input in our valuation models. The reverse is true for upward price movements. However, because we typically use near-term commodity derivative transactions to hedge our exposures, we expect long-term oil and natural gas prices to be a more significant driver of the valuation of our energy investments in asset management than spot prices. If the operating partners for certain of our real asset funds or our portfolio companies are unable to raise prices to offset increases in the cost of raw materials or other inputs, or if consumers defer purchases of or seek substitutes for the products of our funds or such portfolio companies, our funds or such portfolio companies could experience lower operating income which may in turn reduce the valuation of such funds' investments or those portfolio companies. The value of energy investments generally increase or decrease with the increase or decrease, respectively, of energy commodity prices and in particular with long-term forecasts for such energy commodity prices. Given our investments in Crescent Energy and other oil and gas companies, assets, a portion of the investment income we realize is sensitive to oil and gas prices. The volatility of commodity prices also makes it difficult to predict commodity price movements. Apart from our energy investments, a number of our other investments may be 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 may benefit from an increase or suffer from a decline in commodity prices.
- Natural or man-made disasters or catastrophes, such as extreme weather events, climate change, earthquakes, tsunamis floods, malicious acts, cyber-attack or terrorist acts, can also have an adverse impact on our investments and certain of our portfolio companies, especially investments in physical assets, real asset investments, loans or securities collateralized by loans (to the extent such events impact the financial performance of such loans) and portfolio companies that rely on physical factories, plants or stores located in the affected areas. In addition, claims arising from the occurrence of such events could have a material adverse effect on Global Atlantic's business, results of operations and financial condition, and such events could also have an adverse effect on lapses and surrenders of existing policies, as well as sales of new policies. As the effects of climate change increase, we expect the frequency and impact of weather and climate related events and conditions to increase as well. For example, unseasonal or violent weather events can materially impact businesses or properties that focus on tourism or recreational travel.
- Other conditions or events may also materially affect our investments as discussed in "—Risks Related to Our Business—Geopolitical developments and other local and global events outside of our control can, and periodically do, adversely impact us and our portfolio companies" and "—Risks Related to Our Business—Public health crises, such as COVID-19, may continue to occur from time to time, which could directly and indirectly adversely impact us and our portfolio companies."



Changes in these factors can have a significant effect on the results of the valuation methodologies used to value our portfolio, and our reported fair values for these assets could vary materially if these factors from prior quarters were to change significantly. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Environment" and "—Risks Related to Our Business—Difficult market and economic conditions can adversely affect our business in many ways, which could adversely impact our net income, cash flow, financial condition and prospects."

**Dependence on significant leverage in our investments could adversely affect our ability to achieve attractive rates of return on those investments.**

Because many of our funds' investments and our balance sheet investments (and to a lesser degree, certain kinds of investments by our insurance companies) often rely heavily on the use of leverage, our ability to achieve attractive rates of return will depend on our continued ability to access sufficient sources of indebtedness at attractive rates, which are based, in part, on market interest rates that can fluctuate. See "—Risks Related to Our Business—Changes in the debt financing markets, including the impact of a change in interest rates, may negatively affect our business in many ways, which could adversely impact our net income, cash flow, financial condition and prospects." Our credit funds use varying degrees of leverage when making investments. Similarly, private equity investments often include the issuance of high yield debt securities or leveraged loans. In many private equity investments, indebtedness may constitute more than 70% of a portfolio company's total debt and equity capitalization, including debt that may be incurred in connection with the investment, and a portfolio company's indebtedness may also increase in recapitalization transactions subsequent to the company's acquisition. The absence of available sources of sufficient debt financing for extended periods of time could therefore materially and adversely affect our funds and our portfolio companies. U.S. federal bank regulatory agencies and the European Central Bank have issued leveraged lending guidance covering transactions characterized by a degree of financial leverage. Such guidance may limit the amount or availability of debt financing and may increase the cost of financing we are able to obtain for our transactions and may cause the returns on our investments to suffer. See "—Risks Related to Our Business—Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect our business."

When our existing portfolio investments reach the point when debt incurred to finance those investments matures in significant amounts and must be either repaid or refinanced, those investments may 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 our 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 of our portfolio companies may go bankrupt, which could give rise to substantial investment losses, adverse claims or litigation against us or our employees and damage to our reputation.

Among the sectors particularly challenged by downturns in the global credit markets are the CLO and leveraged finance markets. We have significant exposure to these markets through our CLO vehicles. Each of these vehicles is a special purpose company that issued to us and other investors notes secured by a pool of collateral consisting primarily of corporate leveraged loans. In most cases, our CLO holdings are deeply subordinated, representing the CLO vehicle's substantial leverage, which increases both the opportunity for higher returns as well as the magnitude of losses when compared to holders or investors that rank more senior to us in right of payment. These loans and bonds also generally involve a higher degree of risk than investment grade rated debt, including the risks described in the paragraphs above. Our CLO vehicles have historically experienced an increase in downgrades, depreciations in market value and defaults in respect of leveraged loans in their collateral during downturns in credit markets. The CLOs' portfolio profile tests set limits on the amount of discounted obligations a CLO can hold. During any time that a CLO issuer exceeds such a limit, the ability of the CLO's manager to sell assets and reinvest available principal proceeds into substitute assets is restricted. In such circumstances, CLOs may fail certain over-collateralization tests, which would cause diversions of cash flows away from us as holders of the more junior CLO, which may impact our cash flows. The ability of the CLOs to make interest payments to the holders of the senior notes of those structures is highly dependent upon the performance of the CLO collateral. If the collateral in those structures were to experience a significant decrease in cash flow due to an increased default level, payment of all principal and interest outstanding may be accelerated as a result of an event of default or by holders of the senior notes. There can be no assurance that market conditions giving rise to these types of consequences will not occur, re-occur, subsist or become more acute in the future. Because our CLO structures involve complex collateral and other arrangements, the documentation for such structures is complex, is subject to differing interpretations and involves legal risk. These CLOs have served as long-term, non-recourse financing for debt investments and as a way to reduce refinancing risk, reduce maturity risk and secure a fixed cost of funds over an underlying market interest rate. An inability to continue to utilize CLOs or other similar financing vehicles successfully could limit our ability to fund future investments, grow our business or fully execute our business strategy and our results of operations may be materially and adversely affected.

Our CLO vehicles regularly use significant leverage to finance their assets. An inability of such vehicles to continue to raise or utilize leverage, to refinance or extend the maturities of their outstanding indebtedness or to maintain adequate levels of collateral under the terms of their CLOs could limit their ability to grow their business, reinvest principal cash, distribute cash to us or fully execute their business strategy, and our results of operations may be materially and adversely affected. If these vehicles are unable to maintain their operating results and access to capital resources, they could face substantial liquidity problems and might be required to dispose of material assets or operations to meet debt service and other obligations. These CLO strategies and the value of the assets of such CLO vehicles are also sensitive to changes in interest rates because these strategies rely on borrowed money and because the value of the underlying portfolio loans can fall when interest rates rise. If interest rates on CLO borrowings increase and the interest rates on the portfolio loans do not also increase, the CLO strategy is unlikely to achieve its projected returns. Also, if interest rates increase in the future, our CLO portfolio will likely experience a reduction in value because it would hold assets receiving below market rates of interest.

Our credit-oriented funds and CLOs may choose to use leverage as part of their respective investment programs and regularly borrow a substantial amount of their capital. The use of leverage poses a significant degree of risk and enhances the possibility of a significant loss in the value of the investment portfolio. A fund may borrow money from time to time to purchase or carry securities or debt obligations or may enter into derivative transactions (such as total return swaps) with counterparties that have embedded leverage. The interest expense and other costs incurred in connection with such borrowing may not be recovered by appreciation in the securities or debt obligations purchased or carried and will be lost—and the timing and magnitude of such losses may be accelerated or exacerbated—in the event of a decline in the market value of such securities or debt obligations. Gains realized with borrowed funds may cause the fund's NAV to increase at a faster rate than would be the case without borrowings. However, if investment results fail to cover the cost of borrowings, the fund's NAV could also decrease faster than if there had been no borrowings.

Additionally, an increase in either the general levels of interest rates or in the risk spread demanded by lenders would also make it more expensive to finance investments. Increases in interest rates could also make it more difficult to locate and consummate private equity and other investments because a portion of the indebtedness used to finance private equity and other investments often includes high-yield debt securities issued in the capital markets, and other potential buyers, including operating companies acting as strategic buyers, may be able to bid for an asset at a higher price due to a lower overall cost of capital or their ability to benefit from a higher amount of cost savings following the acquisition of the asset. Any decrease in the value of credit instruments that we have invested in or any increase in the cost of credit financing would reduce our returns and decrease our net income.

**Various exposures to, and investments in, the securities of leveraged companies or companies that are experiencing significant financial or business difficulties could materially and adversely affect our results of operations, financial condition and cash flow.**

Our investment funds, and our firm through our balance sheet, have equity and debt investments in companies that have a significant amount of leverage as well as companies that are currently experiencing, or in the future may experience, significant financial or business difficulties. Our traditional private equity funds typically finance their equity investment in a portfolio company with high yield debt securities and/or leveraged loans. Our real assets funds also often finance a portion of their investment using debt. Our credit funds hold below investment grade debt or securities or financial instruments of highly leveraged companies or other companies that are experiencing significant financial or business difficulties. Investments in leveraged companies or companies experiencing financial or business difficulties generally entail greater risk and could materially and adversely affect our results of operations, financial condition and cash flow.

Investments in highly leveraged entities are also inherently more sensitive to declines in revenues, increases in expenses and interest rates and adverse economic, market and industry developments. The incurrence of a significant amount of indebtedness by an entity could, among other things:

- subject the entity to a number of restrictive covenants, terms and conditions, any violation of which would be viewed by creditors as an event of default and could materially impact our ability to realize value from our investment;
- allow even moderate reductions in operating cash flow to render it unable to service its indebtedness;
- give rise to an obligation to make mandatory prepayments of debt using excess cash flow, which might limit the entity's ability to respond to changing industry conditions to the extent additional cash is needed for the response, to make unplanned but necessary capital expenditures or to take advantage of growth opportunities;
- limit the entity's ability to adjust to changing market conditions, thereby placing it at a competitive disadvantage compared to its competitors who have relatively less debt;
- limit the entity's ability to engage in strategic acquisitions that might be necessary to generate attractive returns or further growth; and
- limit the entity's ability to obtain additional financing or increase the cost of obtaining such financing, including for capital expenditures, working capital or other general corporate purposes.

A leveraged company's income and equity also tend to increase or decrease at a greater rate than would otherwise be the case if money had not been borrowed. As a result, the risk of loss associated with a leveraged company is generally greater than for comparable companies with comparatively less debt. For example, leveraged companies could default on their debt obligations due to a decrease in revenues and cash flow precipitated by an economic downturn or by poor relative performance at such a company. Similarly, the leveraged nature of some of our investments in real assets increases the risk that a decline in the fair value of the underlying real asset will result in their abandonment or foreclosure. For example, if the property-level debt on a particular investment has reached its maturity and the underlying asset value has declined below its debt-level, we may, in absence of cooperation by the lender in regards to a partial debt-write-off, be forced to put the investment into liquidation. In

addition, the 2017 Tax Act partially limits the tax deductibility of interest, which could have a material adverse effect on our funds' investment activities and on operations of a leveraged company.

Certain of our funds, CLOs and other investment vehicles, and our firm through our balance sheet, invest in high-yield, below investment grade or unrated debt, including corporate loans and bonds, which generally involves a higher degree of risk than investment grade rated debt, and may be less liquid. Issuers of high yield, below investment grade or unrated debt may be highly leveraged, and their relatively high debt-to-equity ratios create increased risks that their operations might not generate sufficient cash flow to service their debt obligations. As a result, high yield, below investment grade or unrated debt is often less liquid than investment grade rated debt. Also, investments may be made in loans and other forms of debt that are not marketable securities and therefore are not liquid. In the absence of appropriate hedging measures, changes in interest rates generally will also cause the value of fixed rate debt investments to vary inversely to such changes. The obligor of a debt security or instrument may 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 may not be available or sufficient to cover such liabilities. Commercial bank lenders and other creditors may 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. Sub-participation interests in syndicated debt may be subject to certain additional risks as a result of having no direct contractual relationship with underlying borrowers. Debt securities and instruments may be 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. For further information about the fair market value of investment grade corporate loans and securities we indirectly hold through our CLO vehicles that have a below investment grade rating as of December 31, 2022, see Note 2 "Summary of Significant Accounting Policies—Significant Account Policies - Asset Management—Investments" in our financial statements.

Certain of our investment funds, especially in our strategic credit strategy, and through our balance sheet may hold interests in business enterprises involved in work-outs, liquidations, reorganizations, bankruptcies and similar transactions and may purchase high-risk receivables. An investment in such business enterprises entails the risk that the transaction in which such business enterprise is involved either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the fund of the security or other financial instrument in respect of which such distribution is received. In addition, if an anticipated transaction does not in fact occur, we or the fund may be required to sell the investment at a loss. Investments in troubled companies may also be adversely affected by U.S. federal and state and non-U.S. laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and a bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. Investments in securities and private claims of troubled companies made in connection with an attempt to influence a restructuring proposal or plan of reorganization in a bankruptcy case may also involve substantial litigation, which has the potential to adversely impact us or unrelated funds or portfolio companies. Companies that were not in financial distress at the time we or our funds made investments may in the future require work-outs, liquidations, reorganizations, bankruptcies or similar transactions, and as a result, become subject to the same risks described above. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies, there is a potential risk of loss of the entire investment in such company. Such investments involve a substantial degree of risk, and a decline in value of the assets would have a material adverse effect on our financial performance.

Any of the foregoing circumstances could have a material adverse effect on our results of operations, financial condition and cash flow.

**The due diligence process that we undertake in connection with our investments may not reveal all facts that may be relevant in connection with an investment.**

Before making our investments, we conduct due diligence that we believe to be reasonable and appropriate based on the facts and circumstances applicable to each investment. The objective of the due diligence process 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 private equity investments, to prepare a framework that may be used from the date of an acquisition to drive operational achievement and value creation. When conducting due diligence, we typically evaluate a number of important business, financial, tax, accounting, ESG, technological, cyber-security, regulatory and legal issues in determining whether or not to proceed with an investment. Outside consultants, legal advisors, accountants and investment banks are involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, we rely on resources available to us, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence process may at times be subjective with respect to newly organized companies or carve-out transactions for which only limited information is available.

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 of our funds invest in emerging market countries that may not have established laws and regulations that are as stringent as in more developed nations, or where existing laws and regulations may not be consistently enforced. For example, our funds invest throughout jurisdictions that have material perceptions of corruption according to international rating standards (such as Transparency International's Corruption Perceptions Index) such as China, India, Indonesia, Latin America, 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 may not have developed. Bribery, fraud, accounting irregularities and corrupt practices can be especially difficult to detect in such locations.

The due diligence conducted for certain of our credit strategies, as well as certain private equity and real asset investments, is limited to publicly available information. Accordingly, we cannot be certain that the due diligence investigation that we 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 may be necessary or helpful in evaluating such investment opportunity, including the existence of contingent liabilities. We also cannot be certain that our due diligence investigations will result in investments being successful or that the actual financial performance of an investment will not fall short of the financial projections we used when evaluating that investment.

***Our investment management activities involve investments in relatively high-risk, illiquid assets, and we may fail to realize any profits from these activities for a considerable period of time or lose some or all of the capital invested.***

Many of our funds and our balance sheet may hold investments in securities that are not publicly traded. In many cases, our funds or we may be prohibited by contract or by applicable securities laws from selling such securities at many points in time. Our funds or we will generally not be able to sell these securities publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration is available, and then only at such times when we do not possess material nonpublic information. The ability of many of our funds or us to dispose of investments is heavily dependent on the capital markets and in particular the public equity markets. For example, the ability to realize any value from an investment may depend upon the ability to complete an initial public offering of the portfolio company in which such investment is made. Even if the securities are publicly traded, large holdings of securities can often be disposed of only over a substantial length of time, exposing our investment returns to risks of downward movement in market prices during the intended disposition period. Moreover, because the investment strategy of many of our funds, particularly our private equity funds, often entails having representation on our funds' public portfolio company boards, our funds may be restricted in their ability to effect such sales during certain time periods. In addition, market conditions and regulatory environment can also delay our funds' ability to exit and realize value from their investments. For example, rising interest rates and challenging credit markets may make it difficult for potential buyers to raise sufficient capital to purchase our funds' investments. Although the equity markets are not the only means by which we exit investments from our funds, the strength and liquidity of the U.S. and relevant global equity markets generally, and the initial public offering market specifically, affect the valuation of, and our ability to successfully exit, our equity positions in the portfolio companies of our funds in a timely manner. We may also realize investments through strategic sales. When financing is not available or becomes too costly, it may be more difficult to find a buyer that can successfully raise sufficient capital to purchase our investments. In addition, volatile debt and equity markets may also make the exit of our investments more difficult to execute.

Government policies regarding certain regulations, such as antitrust law, national security or restrictions on foreign investment in certain of our funds' portfolio companies or assets can also limit our funds' exit opportunities. See "—Risks Related to Our Business—Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect our business." As many of our funds have a finite term, we could also be forced to dispose of investments sooner than otherwise desirable. Accordingly, under certain conditions, our funds may be forced to either sell their investments at lower prices than they had expected to realize or defer sales that they had planned to make, potentially for a considerable period of time. Moreover, we may determine that we may be required to sell our balance sheet assets alongside our funds' investments at such times. We have made and expect to continue to make significant capital investments in our current and future funds and other strategies. Contributing capital to these funds is risky, and we may lose some or all of the principal amount of our investments.

***Our investments are subject to a number of inherent risks.***

Our results are highly dependent on our continued ability to generate attractive returns from our investments. Investments made by our different business lines involve a number of significant risks, including the following:

- companies in which investments are made may have limited financial resources and may be unable to meet their obligations under their securities, which may be accompanied by a deterioration in the value of their equity securities or any collateral or guarantees provided with respect to their debt;
- companies or assets in which investments are made are more likely to depend on the management talents and efforts of a small group of persons and, as a result, the death, disability, resignation or termination of one or more of those persons could have a material adverse impact on their business and prospects;
- companies in which private equity investments are made may be businesses or divisions acquired from larger operating entities that may require a rebuilding or replacement of financial reporting, information technology, operational and other functions;

- companies or assets in which investments are made may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position;
- instances of bribery, fraud and other deceptive practices committed by senior management of portfolio companies in which our funds or we invest may undermine our due diligence efforts with respect to such companies, and if such bribery, fraud or other deceptive practices are discovered, negatively affect the valuation of a fund's investments as well as contribute to overall market volatility that can negatively impact a fund's or our investment's program;
- our funds may make investments that they do not advantageously dispose of prior to the date the applicable fund is dissolved, either by expiration of such fund's term or otherwise, resulting in a lower than expected return on the investments and, potentially, on the fund itself;
- our portfolio companies generally have capital structures established on the basis of financial projections based primarily on management's judgments and assumptions, and general economic conditions and other factors may cause actual performance to fall short of these financial projections, which could cause a substantial decrease in the value of our equity holdings in the portfolio company and cause our funds' or our performance to fall short of our expectations;
- executive officers, directors and employees of an equity sponsor may be named as defendants in litigation involving a company or asset in which an investment is made or is being made, and we or our funds may indemnify such executive officers, directors or employees for liability relating to such litigation;
- we advise funds that invest in businesses that operate in a variety of industries that are subject to extensive domestic and foreign regulation (including companies that supply services to governmental agencies), such as the financial services industry, telecommunications industry, the defense and government services industry, the healthcare industry, oil and gas industry, the waste management industry and the food industry, which may involve greater risk due to rapidly changing market and governmental conditions in those sectors;
- our transactions involve complex tax structuring that could be challenged or disregarded, which may result in losing treaty benefits or would otherwise adversely impact our investments; and
- significant failures of our investments to comply with laws and regulations applicable to them could affect the ability of our funds or us to invest in other companies in certain industries in the future and could harm our reputation.

For additional risks that rise from the types of investment vehicles used in an investment, see "—Risks Related to Our Business—Certain types of investment vehicles, especially those offered to individual investors, may subject us to new and greater levels of public and regulatory scrutiny, regulation, risk of litigation, and reputational risk, which could materially and adversely affect us."

**Our investments in real assets such as real estate, infrastructure and energy may expose us to increased risks and liabilities and may expose our stockholders to adverse consequences.**

Investments in real assets, which may include real estate, infrastructure, oil and gas properties and other energy assets, may expose us to increased risks and liabilities that are inherent in the ownership of real assets in addition to the kinds of risks and liabilities described above or investments in companies. For example:

- Ownership of real assets in our funds or vehicles may increase our risk of liability under environmental laws that impose, regardless of fault, joint and several liability for the cost of remediating contamination and compensation for damages. In addition, changes in environmental laws or regulations or the environmental condition of an investment

may create liabilities that did not exist at the time of acquisition and could not have been foreseen. Even in cases where we are indemnified by a 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 our ability to achieve enforcement of such indemnities;

- Ownership of real assets may also present additional risk of liability for personal and property injury, for which we may not be fully insured or indemnified, or impose significant operating challenges and costs, for example with respect to compliance with zoning, environmental or other applicable laws;
- Real asset investments may face construction risks, including without limitation: (i) labor disputes, shortages of material and skilled labor, or work stoppages; (ii) the availability and timely receipt of zoning and other regulatory or environmental approvals; (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) 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 and terrorist activities, and other similar events. These risks could create substantial unanticipated delays or expenses (which may exceed expected or forecasted budgets) 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. Recourse against the contractor may be subject to liability caps or may be subject to default or insolvency on the part of the contractor;
- The operation of real assets is exposed to potential unplanned interruptions or permanent damage caused by significant catastrophic or force majeure events. These risks could, among other effects, adversely impact the cash flows available from investments in real assets, cause personal injury or loss of life, damage property, or instigate disruptions of service. In addition, the cost of repairing or replacing damaged assets could be considerable. Repeated or prolonged service interruptions may result in permanent loss of customers, litigation, or penalties for regulatory or contractual non-compliance. Force majeure events that are incapable of, or too costly to, cure may also have a permanent adverse effect on an investment;

- The management of the business or operations of a real asset may be contracted to a third-party management company unaffiliated with us. Although it would be possible to replace any such operator, the failure of such an operator to adequately perform its duties or to act in ways that are in the best interest of the investment, or the breach by an operator of applicable agreements or laws, rules and regulations, including instances of bribery, fraud or other deceptive practices, could have an adverse effect on the investment's results of operations and financial condition. Real asset investments may involve the subcontracting of design and construction activities in respect of projects, and as a result our investments are subject to the risk that contractual provisions passing liabilities to a subcontractor could be ineffective, the subcontractor fails to perform services that it has agreed to provide and, in cases where a single subcontractor provides services to various investments, the subcontractor becomes insolvent;
- Technology advances may decrease the value of our current investments; and
- Certain investments are susceptible to risks of defaults under, or cancellation of contracts with, third parties.

Without limiting the foregoing risks, we note that investments that we hold and may make in the future in the oil and gas industry may present specific environmental, safety and other inherent risks, including investments in Crescent Energy and other oil and gas companies. Such investments are subject to stringent and complex foreign, federal, state and local laws, ordinances and regulations specific to oil and gas industries, including, for example, those governing transportation, exploration and production of oil and natural gas. There are also various conservation laws and regulations applicable to oil and natural gas production and related operations, in addition to regulations governing occupational health and safety, the discharge of materials into the environment and other practices relating to environmental protection. Failure to comply with applicable laws, ordinances and regulations may result in the assessment of administrative, civil and criminal penalties, the imposition of remedial obligations and the issuance of orders enjoining some or all of our operations in affected areas. These laws, ordinances and regulations may also restrict the rate of oil and natural gas production below the rate that would otherwise be possible and increase the cost of production, thereby reducing profitability. In addition to the risks listed above, our oil and gas investments are subject to other risks, such as:

- Volatility in the prices of oil and gas properties may make it difficult to ensure that our acquisition of interest in such properties is at appropriate prices;
- Currently unforeseen environmental incidents may occur or past non-compliance with environmental laws or regulations may be discovered making it difficult to predict the future costs or impact of compliance;
- The oil and gas industries present inherent risk of personal and property injury, for which we may not be fully insured or indemnified;
- There may be unforeseen or increased regulatory and environmental risks stemming from the use of new technologies, including hydraulic fracturing;
- Our estimated oil, natural gas, and natural gas liquids reserve quantities and future production rates are based on many assumptions that may prove to be inaccurate. Any material inaccuracies in these reserve estimates or the underlying assumptions will materially affect the quantities and value of our reserves; and
- The performance of our energy investments depend on the skill, ability and decisions of third-party operators. The success of our investment will depend on their exploitation, development, construction and drilling activities and the timing and cost of drilling, completing and operating wells. Failure of such operators to comply with applicable laws, rules and regulations could result in liabilities to us, reduce the value of our interest in the oil and natural gas properties, and materially and adversely affect our cash flows and results of operations; and
- If commodity prices decline and remain depressed for a prolonged period, a significant portion of our development projects may become uneconomic and cause write-downs of the value of our oil and gas properties, which may reduce the value of our energy investments, have a negative impact on our ability to use these investments as collateral or otherwise have a material adverse effect on our results of operations.

Similarly, investments in real estate are subject to the specific risks inherent in the ownership and operation of real estate and real estate-related businesses and assets. These risks include those generally associated with the ownership of real property, such as: general and local economic conditions; changes in supply of and demand for competing properties in an area (as a result, for instance, of overbuilding); fluctuations in the average occupancy (including as a result of social distancing requirement and remote working environment during the COVID-19 pandemic); the financial resources of tenants; changes in building, environmental and other laws; energy and supply shortages; various uninsured or uninsurable risks; natural disasters; changes in government regulations (such as rent control); changes in real property tax rates; changes in interest rates (see "—Risks Related to Our Business—Changes in the debt financing markets, including the impact of changes in interest rates, may negatively affect our business in many ways, which could adversely impact our net income, cash flow, financial condition and prospects"); the reduced availability of mortgage funds that may render the sale or refinancing of properties difficult or impracticable; negative developments in the economy, such as COVID-19 and general economic conditions, that depress travel activity; environmental liabilities; contingent liabilities on disposition of assets; and terrorist attacks, war and other factors that are beyond our control. Our real estate investments are also subject to additional risks, including but not limited to the following:

- The success of certain investments will depend on the ability to restructure and effect improvements in the operations of the applicable properties, and there is no assurance that we will be successful in identifying or implementing such restructuring programs and improvements;
- If we acquire direct or indirect interests in undeveloped land or underdeveloped real property, which may often be non-income producing, they will be subject to the risks normally associated with such assets and development activities, including risks relating to the availability and timely receipt of zoning and other regulatory or environmental approvals, the cost and timely completion of construction (including risks beyond the control of us or our fund, such as weather or labor conditions or material shortages) and the availability of both construction and permanent financing on favorable terms;
- The strategy of our real estate funds may be based, in part, on the availability for purchase of assets at favorable prices followed by the continuation or improvement of market conditions or on the availability of refinancing. No assurance can be given that real estate businesses or assets can be acquired or disposed of at favorable prices or that refinancing will be available;



- Lenders in commercial real estate financing customarily will require a "bad boy" guarantee, which 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. For our acquisitions, "bad boy" guarantees would generally be extended by our funds, our balance sheet or a combination of both depending on the ownership of

the relevant asset. 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. It is expected that commercial real estate financing arrangements generally will require "bad boy" guarantees and in the event that such a guarantee is called, a fund's or our assets could be materially and adversely affected. Moreover, "bad boy" guarantees could apply to actions of the joint venture partners associated with the investments, and in certain cases the acts of such joint venture partner could result in liability to our funds or us under such guarantees;

- The acquisition, ownership and disposition of real properties carry certain specific litigation risks. Litigation may be commenced with respect to a property acquired in relation to activities that took place prior to the acquisition of such property. In addition, at the time of disposition, other potential buyers may bring claims related to the asset or for due diligence expenses or other damages. After the sale of a real estate asset, buyers may later sue our funds or us for losses associated with latent defects or other problems not uncovered in due diligence; and
- Our funds or we may be subject to certain risks associated with investments in particular assets. REITs may be affected by changes in the value of their underlying properties and by defaults by borrowers or tenants. REITs depend on their ability to generate cash flow to make distributions and may be impacted by changes in tax laws or by a failure to qualify for tax-free pass through income. Investments in real estate debt investments may be unsecured and subordinated to a substantial amount of indebtedness, and may not be protected by financial covenants. Non-performing real estate loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. Investments in commercial mortgage loans are subject to risks of delinquency, foreclosure and loss of principal. In the event of any default under a mortgage loan held directly by our fund or us, our fund or we will bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the loan. Investments in assets or businesses that are distressed may have little or no near-term cash flow and involve a high degree of risk. Such investments subject to bankruptcy or insolvency could be subordinated or disallowed.

With respect to infrastructure, investments often involve an ongoing commitment to a municipal, state, federal or foreign government or regulatory agencies. The nature of these obligations exposes the owners of infrastructure investments to a higher level of regulatory control than typically imposed on other businesses. They may also rely on complex government licenses, concessions, leases or contracts, which may be difficult to obtain or maintain. Infrastructure investments may require operators to manage such investments, and such operators' failure to comply with laws, including prohibitions against bribing of government officials, may materially and adversely affect the value of such investments and cause us serious reputational and legal harm. Revenues for such investments may rely on contractual agreements for the provision of services with a limited number of counterparties, and are consequently subject to heightened counterparty default risk. The operations and cash flow of infrastructure investments are also more sensitive to inflation and, in certain cases, commodity price risk. Furthermore, services provided by infrastructure investments may be subject to rate regulations by government entities that determine or limit prices that may be charged. Similarly, users of applicable services, or government entities in response to such users, may react negatively to any adjustments in rates, which may reduce the profitability of such infrastructure investments.

***Our growth equity strategy invests in emerging and less established companies that are heavily dependent on new technologies where success is less certain.***

Our growth equity funds may make investments in companies that are in a conceptual or early stage of development. These companies are often characterized by short operating histories, new technologies and products, quickly evolving markets, management teams that may have limited experience working together and in many cases, negative cash flow, all of which enhance the difficulty of evaluating these investment opportunities and the ultimate success of such investments. 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 or untested business models, products and services; high levels of competition among similarly situated companies; new competing products and technology; lower barriers to entry and downward pricing pressure; 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. In addition, growth equity companies may be more susceptible to macroeconomic effects and industry downturns, and their valuations may be more volatile depending on the achievement of milestones, such as receiving a governmental license or approval.

Growth equity companies generally depend heavily on intellectual property rights, including patents, trademarks and proprietary products or processes. The ability to effectively enforce patent, trademark and other intellectual property laws in a cost-effective manner will affect the value of many of these companies. The presence of patents or other intellectual property rights belonging to other parties may lead to the termination of the research and development of a portfolio company's particular product. In addition, if a portfolio company infringes on third-party patents or other intellectual property rights, it could be prevented from using certain third-party technologies or forced to acquire licenses in order to obtain access to such technologies at a high cost.

***We often pursue investment opportunities that involve unique business, regulatory, legal or other complexities, including complexities arising from the large size of our investment or from a lack of control over the investment.***

We often pursue complex investment opportunities. This can often take the form of substantial business, regulatory or legal complexity that would deter other investment managers. Our 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. Our transactions involve complex tax structures that are costly to establish, monitor and maintain, and as we pursue 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, we may fail to achieve the desired tax benefit or otherwise decrease the returns of our investments or damage the reputation of our firm. Changes in law and regulation and in the enforcement of existing law and regulation, such as antitrust laws and tax laws, also add complexity and risk to our business. Further, we, directly or through our funds, may acquire an investment that is subject to contingent liabilities, which could be unknown to us at the time of acquisition or, if they are known to us, we may not accurately assess or protect against the risks that they present. Acquired contingent liabilities could thus result in unforeseen losses for us or our funds. In addition, in



connection with the disposition of an investment in a portfolio company, we or a fund may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of a business. We or a fund may also be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities by us or a fund, even after the disposition of an investment. Any of these risks could harm the performance of us or our funds.

We make large private equity and real assets investments, which involves certain complexities and risks that are not encountered in small- and medium-sized investments. Our private equity funds make investments in companies with relatively large capitalizations, which involves certain complexities and risks that are not encountered in small- and medium-sized investments. For example, larger transactions may be more difficult to finance and exiting larger deals may present incremental challenges. In addition, larger transactions may pose greater challenges in implementing changes in the company's management, culture, finances or operations, and may entail greater scrutiny by regulators, interest groups and other third parties. These constituencies may be more active in opposing larger investments by certain private equity firms. In some transactions, the amount of equity capital that is required to complete a large capitalization private equity or real asset transaction may be significant and may require significantly more capital than is then available for investment by our investment funds. We sometimes structure these kinds of transactions as "consortium transactions." A consortium transaction involves an equity investment in which two or more firms serve together or collectively as equity sponsors. Consortium transactions generally entail a reduced level of control by our firm over the investment because governance rights must be shared with the other consortium investors. Accordingly, we may not be able to control decisions relating to a consortium investment, including decisions relating to the management and operation of the company and the timing and nature of any exit, which could result in the risks described herein.

The consequences to our investment funds of an unsuccessful larger investment could be more severe given the size of the investment. Moreover, we could be required to commit significant amounts of our capital to such large investments. More recently, instead of consortium transactions, we have sought to syndicate a portion of our capital commitment in larger private equity and real asset transactions where the overall size may exceed what we consider appropriate for our funds. A syndication transaction involves KKR seeking third parties to commit equity to our investments, typically as passive co-investors, so that our firm can retain a level of control over the investment. However, if we are unable to syndicate all or part of such commitment, or if such co-investors fail to fund their commitments, we may be required to fund the remaining commitment amount from our balance sheet. If we are required to keep on our balance sheet a large portion of the capital commitment that could not be syndicated to third parties, poor performance of such large investment may have a material adverse impact on our financial results. See "—Risks Related to Our Business—If we are unable to syndicate the securities or indebtedness or realize returns on investments financed with our balance sheet assets, or if our structured transactions do not perform as expected, then our liquidity, business, results of operations and financial condition could be materially and adversely affected" and "—Our funds and our firm through our balance sheet may make a limited number of investments, or investments that are concentrated in certain issuers, geographic regions or asset types, which could negatively affect our performance or the performance of our funds to the extent those concentrated assets perform poorly."

In addition, we and our funds hold investments that include debt instruments and equity securities of companies that we do not control, and such investments may comprise an increasing part of our business. Such instruments and securities may be acquired by our funds through trading activities or through purchases of securities from the issuer or we may purchase such instruments and securities on a principal basis. In addition, our funds may acquire minority equity interests, particularly when making private equity investments in Asia, making growth equity investments or sponsoring investments as part of an investor consortium or through many of our credit funds. Our funds may also dispose of a portion of their majority equity investments in portfolio companies over time in a manner that results in the funds retaining a minority investment. We and our funds, including our newer private equity funds, have made certain minority investments in publicly traded companies and in companies including hedge fund and real estate managers on our balance sheet.

Transactions made by companies we do not control could be viewed as unwanted, damage our reputation, and consequently impair our ability to source transactions in the future. Those investments will be subject to the risk that the company in which the investment is made may make business, financial or management decisions with which we do not agree or that the majority stakeholders or the management of the company may take risks or otherwise act in a manner that does not serve our interests. These companies may be subject to complex regulatory requirements and instances of non-compliance by them may subject us to reputational harm or in certain cases, liability. We are also reliant on the systems and processes of these companies for, among other, financial information and valuations of our investments in or with them, including hedge fund managers and their funds, but we do not control the decisions and judgments made during such processes. Our investments in hedge fund managers may subject us to additional regulatory complexities or scrutiny if we are deemed to control the company for regulatory purposes, despite our minority interest. These asset managers may also be dependent on their founders and other key persons, and the loss of these key personnel could adversely impact our investment. If any of the foregoing were to occur, the value of the investments held by our funds or by us could decrease and our results of operations, financial condition and cash flow could be materially and adversely affected.

**We make investments in companies that are based outside of the United States, which may expose us to additional risks not typically associated with investing in companies that are based in the United States.**

Many of our funds invest or have the flexibility to invest a significant portion of their assets in the equity, debt, loans or other securities of issuers that are based outside of the United States. A substantial amount of these investments consist of private equity investments made by our private equity funds. Investing in companies that are based or have significant operations in countries outside of the United States and, in particular, in emerging markets such as China and India, Eastern Europe, South and Southeast Asia, Latin America and Africa, involves risks and considerations that are not typically associated with investments in companies established in the United States. These risks may include the following:

- the possibility of restrictions on foreign direct investment and exchange control regulations;
- restrictions on repatriation of profit on investments or of capital invested;
- the imposition of non-U.S. taxes or withholding taxes on income or gain with respect to certain assets and/or changes in tax law;
- differences in the legal and regulatory environment, such as the recognition of information barriers, or enhanced legal and regulatory compliance;
- greater levels of corruption and potential exposure to the FCPA and other laws that prohibit improper payments or offers of payments to foreign governments, their officials and other third parties;
- violations of trade sanctions or trade control regimes and the potential for the imposition of new or additional tariffs;

- limitations on borrowings to be used to fund acquisitions or dividends;
  - limitations on the deductibility of interest and other financing costs and expense for income tax purposes in certain jurisdictions;
  - limitations on permissible counterparties in our transactions or consolidation rules that effectively restrict the types of businesses in which we may invest;
  - political risks generally, including political and social instability, nationalization, expropriation of assets or political hostility to investments by foreign or private equity investors;
  - less liquid markets;
- 
- reliance on a more limited number of commodity inputs, service providers or distribution mechanisms;
  - adverse fluctuations in currency exchange rates and costs associated with conversion of investment principal and income from one currency into another;
  - higher rates of inflation;
  - less available current information about an issuer;
  - higher transaction costs;
  - less government supervision of exchanges, brokers and issuers;
  - less developed bankruptcy and other laws;
  - greater application of concepts like equitable subordination, which may, in bankruptcy or insolvency, result in the subordination of debt or other senior interests held by our investment funds, vehicles or accounts in companies in which our investment funds, vehicles or accounts also hold equity interests;
  - difficulty in enforcing contractual obligations;
  - lack of uniform or robust accounting, auditing, financial reporting standards, practices and disclosure requirements and less government supervision and regulation;
  - less stringent requirements relating to fiduciary duties;
  - fewer investor protections; and
  - greater price volatility.

Although we expect that much of the capital commitments of our funds will be denominated in U.S. dollars, our investments and capital commitments that are denominated in a foreign currency, such as euro, will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies. A depreciation of foreign currencies against the U.S. dollar, if not adequately hedged, would reduce the value of our investments in the relevant region, which could adversely impact our financial results. Factors that may affect currency values include trade balances, the ability of countries to pay their national debt, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. We may employ hedging techniques to reduce these risks, but we can offer no assurance that such strategies will be effective or even available at all. If we engage in hedging transactions, we may be exposed to additional risks associated with such transactions. In addition, various countries and regulatory bodies may 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 our funds but also the value, in U.S. dollars, of our investments and investment proceeds.

See also "—Risk management activities may adversely affect the return on our investments." See also "—Risks Related to Our Business—Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect our business," "—Risks Related to Our Business—Difficult market and economic conditions can adversely affect our business in many ways, which could adversely impact our net income, cash flow, financial condition and prospects," "—Risks Related to Our Business—Geopolitical developments and other local and global events outside of our control can, and periodically do, adversely impact us and our portfolio companies," and "—Various economic conditions and events outside of our control that are difficult to quantify or predict may have a significant impact on the valuation of our investments and, therefore, on our results of operations and financial condition."

**Third-party investors in our funds with commitment-based structures may not satisfy their contractual obligation to fund capital calls when requested by us, which could adversely affect a fund's operations and performance.**

Investors in certain of our funds make capital commitments to those funds that the funds are entitled to call from those investors at any time during prescribed periods. We depend on fund investors fulfilling their commitments when we call capital from them in order for such funds to consummate investments and otherwise pay their obligations (for example, management fees) when due. Any fund investor that did not fund a capital call would generally be subject to several possible penalties, including having a significant amount of existing investment forfeited in that fund. However, the impact of the penalty is directly correlated to the amount of capital previously invested by the investor in the fund and if an investor has invested little or no capital, for instance early in the life of the fund, then the forfeiture penalty may not be as meaningful. Investors may in the future also negotiate for lesser or reduced penalties at the outset of the fund, thereby inhibiting our ability to enforce the funding of a capital call. If our fund investors were to fail to satisfy a significant amount of capital calls for any particular fund or funds, the operation and performance of those funds could be materially and adversely affected.

**Our equity investments and many of our debt investments often rank junior to investments made by others, exposing us to greater risk of losing our investment.**

In many cases, the companies in which we or our funds invest have, or are permitted to have, outstanding indebtedness or equity securities that rank senior to our or our fund's investment. By their terms, such instruments may provide that their holders are entitled to receive payments of distributions, interest or principal on or before the dates on which payments are to be made in respect of our or our fund's investment. 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 our investment would typically be entitled to receive payment in full before distributions could be made in respect of our investment. In addition, debt investments made by us or our funds in our portfolio companies may be equitably subordinated to the debt investments made by third parties in our portfolio companies. After repaying senior security holders, the company may not have any remaining assets to use for repaying amounts owed in respect of our investment. To the extent that any assets remain, holders of claims that rank equally with our investment would be entitled to share on an equal and ratable basis in distributions that are made out of those assets. Also, during periods of financial distress or following insolvency, the ability of us or our funds to influence a company's affairs and to take actions to protect an investment will likely be substantially less than that of the senior creditors.

#### **Risk management activities may adversely affect the return on our investments.**

When managing exposure to market risks, we employ hedging strategies or certain forms of derivative instruments to limit our exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates, currency exchange rates and commodity prices. The scope of risk management activities undertaken by us is selective and varies based on the level and volatility of interest rates, prevailing foreign currency exchange rates, the types of investments that are made and other changing market conditions. We do not seek to hedge our exposure in all currencies or all investments, which means that our exposure to certain market risks are not limited. Where applicable, we use hedging transactions and other derivative instruments to reduce the effects of a decline in the value of a position, but they do not eliminate the possibility of fluctuations in the value of the position or prevent losses if the value of the position declines. However, such activities can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of the position. Such transactions may also limit the opportunity for gain if the value of a position increases. Moreover, it may not be possible to limit the exposure to a market development that is so generally anticipated that a hedging or other derivative transaction cannot be entered into at an acceptable price.

The success of any hedging or other derivative transactions that we enter into generally will depend on our ability to correctly predict market changes. As a result, while we may enter into such transactions in order to reduce our exposure to market risks, unanticipated market changes may result in poorer overall investment performance than if the hedging or other derivative transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, we may not seek or be successful in establishing a perfect correlation between the instruments used in hedging or other derivative transactions and the positions being hedged. An imperfect correlation could prevent us from achieving the intended result and could give rise to a loss. In addition, it may not be possible to fully or perfectly limit our exposure against all changes in the value of its investments, because the value of investments is likely to fluctuate as a result of a number of factors, some of which will be beyond our control or ability to hedge.

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While hedging arrangements may reduce certain risks, such arrangements themselves may entail certain other risks. These arrangements may require the posting of cash collateral, including at a time when a fund an investment vehicle has insufficient cash or illiquid assets such that the posting of the cash is either impossible or requires the sale of assets at prices that do not reflect their underlying value. Moreover, these hedging arrangements may generate significant transaction costs, including potential tax costs, that which reduce the returns generated by an investment vehicle.

In our capital markets business, one part of our capital markets risk management strategy is to enter into arrangements with third parties that are designed to reduce our risk when underwriting certain debt transactions. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations, Commitments and Contingencies" for additional information about the amount of these arrangements as of December 31, 2023. If these counterparties or other derivative counterparties or clearinghouses fail or refuse to meet their obligations, then our efforts to mitigate risks may prove to be ineffective or inefficient, and we may experience a fund. Various regulators have proposed materially adverse impact to our results of operations, financial condition or adopted regulations governing futures liquidity. If such failure or refusal were to occur, or if these counterparties fail to renew their arrangements and swaps, which may limit our trading activities and we are unable to find suitable replacements, then our ability to implement effective continue to conduct large capital markets transactions or insure certain insurance products with guaranteed benefits in the future may be impaired.

In our insurance business, our hedging activities seek to mitigate economic impacts relating to Global Atlantic's insurance products, which may result in additional volatility in GAAP results, adverse impacts on regulatory capital, and may not effectively offset any changes in insurance reserves. Global Atlantic is also subject to the risk that its derivative counterparties or clearinghouse may fail or refuse to meet their obligations to Global Atlantic under derivative financial instruments. If Global Atlantic's derivative counterparties or clearinghouse fail, refuse to meet their obligations in this regard or there is insufficient collateral to cover potential obligations, Global Atlantic's efforts to mitigate risks to which it is subject may prove to be ineffective or inefficient.

In addition, Global Atlantic uses risk management strategies, including hedging and reinsurance, to manage the economic exposure to interest rates and equity markets of products with guaranteed benefits. Certain of Global Atlantic's liabilities include guaranteed minimum death benefits, guaranteed minimum withdrawal benefits or no-lapse guarantees. These guarantees are designed to protect policyholders against significant downturns in securities markets and interest rates, or to provide certain minimum levels of coverage. Changes in markets that increase hedging costs may adversely impact the costs profitability of compliance. See "— these products. Furthermore, Global Atlantic is subject to the risk that changes in policyholder behavior or mortality, combined with adverse market events, produce economic losses not addressed by the risk management techniques employed. Changes in markets or deviations in expected policyholder behavior or loss of reinsurance coverage may result in the requirement to hold additional reserves with respect to these policies, which may negatively impact Global Atlantic's liquidity or require it to raise additional capital. An increase in these liabilities would result in a decrease in Global Atlantic's net income. In addition, declining equity market prices, increasing equity market volatility and declining interest rates can result in an increase in the cost of providing variable annuity policy benefits and can increase required reserves, reducing Global Atlantic's profitability. These, individually or collectively, could have a material adverse effect on Global Atlantic.

#### **Risks Related to Our Business—Extensive regulation Investment Activities**

As an investment manager, we sponsor and manage funds and other investment vehicles that make investments worldwide on behalf of third-party investors and, in connection with those activities, are typically required to deploy our own capital in those investments. These investments are subject to many material risks and uncertainties as discussed below. In addition, with respect to the investments of our insurance subsidiaries and other investments on our balance sheet, which we manage for our own behalf, the risks and

uncertainties discussed below may have a greater impact on our results of operations and financial condition as we directly bear the full risk of those investments in our financial results.

***Future results of our investments may be different than, and may not achieve the levels of, any of our historical returns.***

We have presented in this report certain information relating to our investment returns, such as net and gross internal rates of return (IRR), multiples of invested capital (MOIC) and realized and unrealized investment values for investment vehicles that we have sponsored, managed or operated. Historical returns of our investment vehicles should not be relied upon as indicative of the future results that you should expect from our investment vehicles and are not indicative of the future results of our insurance subsidiaries or our balance assets. In particular, the future results may differ significantly from their historical results for the following reasons, among others:

- the rates of returns of our investment vehicles reflect unrealized gains as of the applicable valuation date that may never be realized, which may adversely affect the ultimate value realized from their investments;

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- certain historical returns that we present in this report are based on the performance of our historical private equity funds, the results of which have already been realized and are significantly less relevant for raising capital for our future investment vehicles;
- the future performance of our investment vehicles will be affected by various market and economic conditions and other factors;
- in some historical periods, the rates of return of some of our investment vehicles have been positively influenced by a number of investments that experienced a substantial decrease in the average holding period of such investments and rapid and substantial increases in value following the dates on which those investments were made; those trends and rates of return may not be repeated in the future as the actual or expected length of holding periods related to investments is likely longer than such historical periods;
- our newly established investment vehicles may generate lower returns during the period that they take to deploy their capital, which may result in little or no carried interests due to performance hurdles;
- our investment vehicles' returns have benefited from investment opportunities and various market and economic conditions in certain historical periods that may not repeat themselves;
- we may create new investment vehicles and investment products in the future that reflect a different asset mix in terms of allocations among investment vehicles, investment strategies, geographic and industry exposure, vintage year and economic terms; and our historical rates of return reflect our historical cost structure, which has varied and may vary further in the future.

Future returns will also be affected by the risks described elsewhere in this report, including risks of the industry sectors and businesses **affects** in which a particular investment is made and changes in laws. Future results of our **activities** insurance business may also be different than its historical performance as a result of various factors. See "—Risks Related to Our Insurance Activities—The Global Atlantic acquisition may not achieve its intended benefits, and **creates** certain difficulties, costs or expenses may outweigh such intended benefits."

***Our valuation methodologies for certain assets can be subjective, and the fair value of assets established pursuant to such subjective methodologies is uncertain and may never be realized.***

There are no readily ascertainable market prices for a substantial majority of illiquid investments held by us and our investment vehicles. When determining fair values of investments, we use the last reported market price as of the applicable statement of financial condition date for investments that have readily observable market prices. When an investment does not have a readily available market price, the fair value of the investment represents the value, as determined by us in good faith, at which the investment could be sold in an orderly disposition over a reasonable period of time between willing parties other than in a forced or liquidation sale. There is no single standard for determining fair value in good faith, and in many cases fair value is best expressed as a range of fair values from which a single estimate may be derived. For our illiquid investments, we use a variety of valuation methodologies, including a market multiples approach and discounted cash flow analysis, and we engage third parties to assist us with certain aspects of our valuations. These methodologies typically require estimates of key inputs and significant assumptions and judgments. We also consider a range of additional factors that we deem relevant, for example, the applicability of a control premium or illiquidity discount, and determining these factors may involve a significant degree of our management's judgment and the judgment of management of our portfolio companies. For information about our valuation methodologies and processes, please see "Note 2—Summary of Significant Accounting Policies—Fair Value Measurements."

Because valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate over short periods of time and are typically based on estimates and significant assumptions and judgments, determinations of fair value may differ materially from the values that would have resulted if a readily observable market price had existed. Even if market quotations are available for our investments, such quotations may not reflect the value that we would actually be able to realize because of various factors, including possible illiquidity associated with a large ownership position, subsequent illiquidity in the market for a company's securities, future market price volatility or the potential for **significant liabilities** a future loss in market value based on poor industry conditions or the market's view of overall company and **penalties**, management performance. Our financial results could be adversely affected if the values of investments that we record is materially higher than the values that are ultimately realized upon the disposal of the investments, and changes in values attributed to investments from quarter to quarter may result in volatility in our AUM, which could materially affect our financial results that we report from period to period. There can be no assurance that the investment values that we record from time to time will ultimately be realized, including the investment values that are presented in this report.

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Because there is significant uncertainty in the valuation of, or in the stability of the value of, illiquid investments, the fair values of investments reflected in an investment vehicle's net asset value ("NAV") do not necessarily reflect the prices that would actually be obtained by us on behalf of the investment vehicle when such investments are realized. For example, there may be known or unknown liabilities such as tax exposures with respect to investments, especially those outside the United States, which may not be fully reflected in valuations. Realizations at values significantly lower than the values at which investments have been reflected in a prior investment vehicle's NAVs would result in losses for the applicable investment vehicle and the loss of any accrued carried interest and other fees. Also, if realizations of our investments produce values materially different than the carrying values reflected in a prior investment vehicle's NAVs, investors in such vehicles may lose confidence in us, which could in turn result in difficulty in raising capital for future funds or other investment vehicles. In addition, because we value our entire portfolio using the methodologies described in this report only on a periodic basis, subsequent events that may have a material impact on those valuations may not be reflected until the next periodic valuation date.

In addition, the range of potential valuation methodologies and the potential exercise of our subjective judgment in determining valuation might cause some of our investors or regulators to question our valuations or methodologies. There can be no assurance that our policies will address all necessary valuation factors or completely eliminate potential conflicts of interest in such determinations or that we will be able to achieve some valuations. The SEC continues to focus on issues related to valuation of private investment vehicles, including consistent application of the methodology, disclosure, and conflicts of interest, in its enforcement, examination, and rulemaking activities. Changes in these factors can have a significant effect on the results of the valuation methodologies used to value our portfolio, and our reported fair values for these assets could vary materially if these factors from prior quarters were to change significantly.

***Various market and economic conditions and events outside of our control that are difficult to quantify or predict may have a significant impact on the valuation of our investments and, therefore, on our financial results.***

Global equity markets, which have been and are expected to continue to be volatile, significantly impact the valuation of our equity investments in portfolio companies. For our equity investments that are publicly listed and thus have readily observable market prices, global equity markets have a direct impact on valuation, because their values are determined by their listed prices in the public markets. For our equity investments that are not publicly listed, global equity markets have an indirect impact on valuation as we often utilize market multiples (i.e., stock price of comparable companies divided by earnings or cash flow) as a critical input to ascertain fair value of our investments that do not have readily observable market prices. In our private equity business, a substantial amount of investments are in equities, so a change in global equity prices or in equity market volatility is expected to significantly impact the value of our private equity investments. Therefore, if equity valuations decline (due to multiple contraction or otherwise), then performance of our private equity portfolio may be materially and adversely impacted. In our insurance business, a change in equity prices also impacts our equity-linked annuity and life insurance products, including with respect to hedging costs related to and fee-income earned on those products.

The credit markets can also impact the valuations of our equity investments in portfolio companies. For example, we typically use a discounted cash flow analysis as one of the methodologies to ascertain the fair value of many of our investments that do not have readily observable market prices. If applicable interest rates rise, then the assumed cost of capital for the equity investments in our portfolio companies would be expected to increase under the discounted cash flow analysis, and this effect would negatively impact their valuations if not offset by other factors. Conversely, a fall in interest rates can positively impact valuations of equity investments in certain portfolio companies if not offset by other factors. For example, the positive impact of falling interest rates on discounted cash flow valuations may offset the negative impact of the market multiples valuation approach, and may result in less of a decline in value than for those publicly listed equity investments.

Rising U.S. interest rates may also negatively impact certain foreign currencies that depend on foreign capital flows. Higher interest rates in conjunction with slower growth or weaker currencies in some emerging market economies have caused, and may further cause, the default risk of these countries and companies that operate predominantly in those countries to increase, and this could impact the value of our investments in portfolio companies that operate in these regions. Rising interest rates typically create downward pressure on the price of real estate and the value of fixed-rate debt investments made by our funds or our insurance segment. Finally, low interest rates related to monetary stimulus and economic stagnation may also negatively impact expected returns on certain investments as the demand for relatively higher returning assets increases and supply decreases.

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The credit markets directly impact the valuations of the credit investments that we (including our insurance subsidiaries) and our investment vehicles own. Interest income earned from debt investments with floating interest rates should increase if the applicable benchmark interest rate were to rise, and the reverse is true if the applicable benchmark interest rate were to decline. However, during periods of rising interest rates, the obligor of such floating rate debt may become less able to pay its debt obligations, which could have the effect of impairing the value of its debt obligations. For debt investments with fixed interest rates, changes in interest rates generally will also cause the value of the fixed rate debt to vary inversely to such changes, although any losses or gains would in most cases not be realized if the fixed rate debt is held to maturity.

Foreign exchange rates can materially impact the valuations of our investments that are denominated in currencies other than the U.S. dollar. Factors that may affect currency values include trade balances, the ability of countries to pay their national debt, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. We make investments and receive capital commitments that are denominated in currencies other than the U.S. dollar. The appreciation or depreciation of the U.S. dollar is expected to contribute to a decrease or increase, respectively, in the U.S. dollar value of our non-U.S. investments to the extent unhedged. In addition, an appreciating U.S. dollar would be expected to make the exports of U.S.-based companies less competitive, which may lead to a decline in their export revenues, if any, while a depreciating U.S. dollar would be expected to have the opposite effect. For our investments denominated in currencies other than the U.S. dollar, the depreciation in such currencies will generally contribute to the decrease in the valuation of such investments, to the extent unhedged, and adversely affect the U.S. dollar equivalent revenues of portfolio companies with substantial revenues denominated in such currencies, while the appreciation in such currencies would be expected to have the opposite effect. Areas that have central bank quantitative easing or tightening campaigns affecting their interest rates relative to the United States could potentially experience further currency volatility relative to the U.S. dollar. In addition, various countries and regulatory bodies may implement controls on foreign exchange and outbound remittances of currency, which could impact the value, in U.S. dollars, of our investments.

Conditions in commodity markets impact the valuations of our portfolio companies and other investments in a variety of ways, including through the direct or indirect impact on the cost of the inputs used in their operations, as well as the pricing and profitability of the products or services that they sell. The price of commodities has historically been subject to substantial volatility, which among other things, could be driven by economic, monetary, political or weather-related factors. If the operating partners for certain of our investments or our 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 these products, these investments or portfolio companies could experience lower operating income which may in turn reduce their valuation. With respect to our energy investments, when commodity prices decline, or if a decline is not offset by other factors, we would expect the value of these investments to be adversely impacted, to the extent unhedged. In general, we expect downward price movements to have a negative impact on the fair value of our energy portfolio, all other things being equal, given those commodity prices are an input in



our valuation models. The reverse is true for upward price movements. However, because we may use near-term commodity derivative transactions to hedge our exposures, long-term oil and natural gas prices may be a more significant driver of the valuation of our energy investments than spot prices. Apart from our direct energy investments, a number of our other investments may be 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 may also benefit from an increase or suffer from a decline in commodity prices.

The market values of commercial real estate assets are subject to volatility and may be adversely affected by a number of factors, including, but not limited to, national, regional and local economic conditions (which may be adversely affected by industry slowdowns and other factors); local real estate conditions; changes or continued weakness in specific industry segments; construction quality, age and design; demographic factors; retroactive changes to building or similar codes, tenant demand, market occupancy and rental rate trends, and capitalization rates and valuation trends. The macroeconomic environment, prevailing real estate fundamentals and micro-market dynamics where real estate property is located are all factors that impact valuations of our real estate investments. Office real estate valuations in the U.S. and globally, in particular, proved to be highly volatile during 2023 as a based on a variety of more challenging macroeconomic fundamentals described above, including as a result of tenant demand and employees of potential tenants continuing to work from home at a higher frequency than many expected.

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The valuations of our investments can be impacted by many other factors unrelated to market or economic conditions, including (i) geopolitical developments and other local and global events, (ii) natural disasters and catastrophes, including public health crises, (iii) data security breaches and cyber-security failures, and (iv) material litigations, governmental sanctions, or the failure to comply with applicable law. The valuation of our investments may also be impacted by other factors that may or may not be foreseeable or in our control, for example: decreasing revenues, increasing costs, credit rating downgrades, difficulty in obtaining financing on attractive terms or at all, financial losses, contractual defaults, or insolvency. These and other risks that have impacted, and may continue to affect, the valuation of our investments are described in “—Risks Related to Our Business,” as most of these risks to our business also are risks to the valuation of our investments.

To the extent these and other risks were to occur to one of our portfolio companies or other investments, then it is likely that the value of such investment would be materially and adversely affected, which would be expected to contribute to an adverse impact to our financial results.

**Our investment activities have significant liquidity requirements, and changes in debt or equity markets may materially and adversely affect our business’ investment activities.**

Our liquidity requirements are significant and, “— in some cases, involve capital that will remain invested for extended periods of time or, in other cases, involve capital that is able to be withdrawn more frequently by investment vehicle investors, subject to certain limits. Commitments to our investment vehicles and our insurance subsidiaries will require significant cash outlays over time, and there can be no assurance that we will be able to generate sufficient cash flows from realizations of investments to fund them or achieve the valuations of such investments.

Moreover, our investment vehicles and our insurance subsidiaries use leverage to fund their investments and to enhance their returns. For example, our investment vehicles regularly seek to have credit facilities as subscription lines to bridge capital commitments. If a lender under one or more of our or our investment vehicles’ credit lines were to become insolvent, we may have difficulty replacing the credit line and one or more of our investment vehicles may face disruptions in operations. In addition, concerns about, or a default by, one large market participant could lead to significant liquidity problems for other market participants, which may in turn expose us to significant losses. Counterparty default risk may arise from events or circumstances that are difficult to detect, foresee or evaluate. We may not accurately anticipate the impact of market stress or counterparty financial condition, and as a result, we may not have taken sufficient action to reduce these risks effectively, which, if left unmitigated, could have a material adverse effect on our investments.

Liquidity conditions in both equity and credit capital markets may tighten and affect the availability and cost of capital for our investment vehicles’ portfolio companies. For example, changes in the debt financing markets may negatively impact our ability to obtain attractive financing for our investments or to refinance existing debt, and may increase the cost of such financing or refinancing if it is obtained, which could lead to lower-yielding investments and potentially adversely impact our financial results or negatively impact our business in other ways. With respect to our private equity and real assets businesses, if we are unable to obtain committed debt financing for potential acquisitions or can only obtain debt at an increased interest rate or on unfavorable terms, we may have difficulty completing otherwise profitable acquisitions or may generate lower profits, either of which could lead to a decrease in the investment income earned by us. Any failure by lenders to provide previously committed financing can also expose us to potential claims by sellers of businesses that we may have contracted to purchase. Similarly, the issuance of CLOs relies on the use of leverage, including various secured and unsecured borrowings.

Our ability to generate returns on these assets would be reduced to the extent that changes in market conditions, including changes to short-, medium- or long-term interest rates, cause the cost of our financing to increase relative to the income that can be derived from the assets acquired or financed. An increase in either the general levels of interest rates or in the risk spread demanded by lenders or other debt holders would also make it more expensive to finance investments. During periods of rising or higher interest rates, certain investments with floating interest rate loans may have greater challenges in meeting their debt service obligations if their benchmark interest rates were to rise materially, or if these investments’ lenders or debt holders generally are unwilling to extend or refinance their loans or debt securities on similarly attractive terms. Any of these events could result in defaults, foreclosures or bankruptcies, which would likely reduce the value of our investments and could result in decreased net income. An increase in interest rates and other changes in the financial markets could also negatively impact the values of certain assets or investments and the ability of our balance sheet assets, funds and their portfolio companies may be negatively impacted, which could impair the value of our investment in those portfolio companies and lead to a decrease in the investment income earned by us. In some cases, the inability of our portfolio companies to refinance or extend maturities may result in the inability of those companies to repay debt at maturity or pay interest when due, and may cause those companies to sell assets, undergo a recapitalization or seek bankruptcy protection, any of which would also likely impair the value of our investment and lead to a decrease in investment income earned by us.

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Similarly, our portfolio companies regularly utilize the corporate debt markets in order to obtain financing for operations. To the extent that credit markets render such financing difficult to obtain or more expensive, this may negatively impact the operating performance of us and these portfolio companies. In addition, to the extent that conditions in the credit markets impair the ability of our portfolio companies to refinance or extend maturities on their outstanding debt, either on favorable terms or at all, the operating performance of



those portfolio companies may be negatively impacted, which could impair the value of our investment in those portfolio companies and lead to a decrease in the investment income earned by us. In some cases, the inability of our portfolio companies to refinance or extend maturities may result in the inability of those companies to repay debt at maturity or pay interests when due, and may cause the companies to sell assets, undergo a recapitalization or seek bankruptcy protection, any of which would also likely impair the value of our investment and lead to a decrease in the investment income earned by us.

In addition, counterparties have generally reacted to recent market volatility by tightening their underwriting standards and increasing their margin requirements for all categories of financing, which has the result of decreasing the overall amount of leverage available and increasing the costs of borrowing. Many of our investment vehicles have credit lines, and if a lender under one or more of these credit lines were to become insolvent, we may have difficulty replacing the credit line and one or more of our investment vehicles may face liquidity problems. Default risk may arise from events or circumstances that are difficult to detect, foresee or evaluate. In addition, concerns about, or a default by, one large market participant could lead to significant liquidity problems for other market participants, which may in turn expose us to significant losses. We may not accurately anticipate the impact of market stress or counterparty financial condition, and as a result, we may not have taken sufficient action to reduce these risks effectively, which, if left unmitigated, could have a material adverse effect on our investments.

In addition, LIBOR and certain other floating rate benchmark indices to which our floating rate debt historically was tied to are the subject of recent national, international and regulatory guidance and reforms. Transition away from LIBOR as a benchmark reference for interest rates may affect the cost of capital and require amending or restructuring existing debt instruments and related hedging arrangements for our investment vehicles and our portfolio companies, and may impact the value of floating rate securities or loans based on LIBOR that we (including our insurance subsidiaries) or our investment vehicles have held, all of which may result in additional costs or adversely affect our investments.

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 our investment vehicles and our insurance subsidiaries and long-term indebtedness incurred by our investment vehicles, our insurance subsidiaries and our portfolio companies may have residual exposure that bears interest at variable interest rates, including rates linked to LIBOR. We, our investment vehicles and our portfolio companies have other LIBOR-based debt instruments and related hedging arrangements that may require amending or restructuring, which may be difficult, costly and time consuming. In situations where our existing LIBOR-based contracts do not contain clear fallback language governing the transition to a successor reference rate, we or our investment vehicles could incur increased costs, including litigation-related costs, related to the determination of an appropriate successor rate.

***Dependence on significant leverage in our investments could adversely affect our ability to achieve attractive rates of return on those investments.***

Because many of our investments often rely heavily on the use of leverage, our ability to achieve attractive rates of return will depend on our continued ability to access sufficient sources of indebtedness at attractive rates, which are based, in part, on market interest rates that can fluctuate along with other market and economic conditions. Our credit funds and insurance companies use varying degrees of leverage when making investments. Similarly, private equity investments often include the issuance of high yield debt securities or leveraged loans. In many private equity investments, indebtedness may constitute a substantial majority of a portfolio company's total capitalization. The absence of available sources of sufficient debt financing for extended periods of time could therefore materially and adversely affect our investment vehicles and our portfolio companies.

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In June 2011, the Basel Committee on Banking Supervision, an international body comprised of senior representatives of bank supervisory authorities and central banks from 27 countries, including the United States, announced the final framework for a comprehensive set of capital and liquidity standards, commonly referred to as "Basel III," for internationally active banking organizations and certain other types of financial institutions. These standards have generally required banks to hold more capital than under the previous capital framework, reduce leverage and improve liquidity standards, and bank supervisory authorities, including in the United States, which may in the future, adopt additional related standards that require banks to further increase their capital or liquidity. U.S. federal banking regulators have adopted, and continue to adopt, update and amend, final regulations to implement these standards for U.S. banking organizations. These and similar banking regulations implemented by federal and state banking regulators may limit the amount or availability of debt financing, may increase the cost of financing we are able to obtain for our transactions and may cause the returns on our investments to suffer.

When our existing portfolio investments reach the point when debt incurred to finance those investments matures in significant amounts and must be either repaid or refinanced, those investments may 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 our 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 of our portfolio companies may go bankrupt, which could give rise to substantial investment losses, adverse claims or litigation against us or our employees and damage to our reputation.

Among the sectors particularly challenged by downturns in the global credit markets are the CLO and leveraged finance markets. We have significant exposure to these markets through our CLO vehicles. There can be no assurance that market conditions giving rise to these types of consequences will not occur, re-occur, subsist or become more acute in the future. Our CLO vehicles have historically experienced an increase in downgrades, depreciations in market value and defaults in respect of leveraged loans in their collateral during downturns in credit markets. Because our CLO structures involve complex collateral and other arrangements, the documentation for such structures is complex, is subject to differing interpretations and involves legal risk. Each of these vehicles is a special purpose company that issues to us and other investors notes secured by a pool of collateral consisting primarily of corporate leveraged loans. In most cases, our CLO holdings are deeply subordinated, representing the CLO vehicle's substantial leverage, which increases both the opportunity for higher returns as well as the magnitude of losses when compared to holders or investors that rank more senior to us in right of payment. These loans and bonds also generally involve a higher degree of risk than investment grade rated debt, including the risks described in the paragraphs above. The CLOs' portfolio profile tests set limits on the amount of discounted obligations a CLO can hold. During any time that a CLO issuer exceeds such a limit, the ability of the CLO's manager to sell assets and reinvest available principal proceeds into substitute assets is restricted. In such circumstances, CLOs may fail certain over-collateralization tests, which would cause diversions of cash flows away from us as holders of the more junior CLO, which may impact our cash flows. The ability of the CLOs to make interest payments to the holders of the senior notes of those structures is highly dependent upon the performance of the CLO collateral. If the collateral in those structures were to experience a significant decrease in cash flow due to an

increased default level, payment of all principal and interest outstanding may be accelerated as a result of an event of default or by holders of the senior notes. An inability to continue to utilize CLOs or other similar financing vehicles successfully could limit our ability to fund future investments, grow our business or fully execute our business strategy and we may be materially and adversely affected. Many of our credit-oriented investment vehicles, including CLO vehicles, regularly use significant leverage to finance their assets. An inability of such vehicles to continue to raise or utilize leverage, to refinance or extend the maturities of their outstanding indebtedness or to maintain adequate levels of collateral under the terms of their CLOs limit their ability to grow their business, reinvest principal cash, distribute cash to us or fully execute their business strategy, and our results of operations may be materially and adversely affected. If these vehicles are unable to maintain their operating results and access to capital resources, they could face substantial liquidity problems and might be required to dispose of material assets or operations to meet debt service and other obligations. These CLO strategies and the value of the assets of such CLO vehicles are also sensitive to changes in interest rates because these strategies rely on borrowed money and because the value of the underlying portfolio loans can fall when interest rates rise. If interest rates on CLO borrowings increase and the interest rates on the portfolio loans do not also increase, the CLO strategy is unlikely to achieve its projected returns. Also, if interest rates increase in the future, our CLO portfolio will likely experience a reduction in value because it would hold assets receiving below market rates of interest.

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Our credit-oriented funds and CLOs may choose to use leverage as part of their respective investment programs and regularly borrow a substantial amount of their capital. The use of leverage poses a significant degree of risk and enhances the possibility of a significant loss in the value of the investment portfolio. A fund may borrow money from time to time to purchase or carry securities or debt obligations or may enter into derivative transactions (such as total return swaps) with counterparties that have embedded leverage. The interest expense and other costs incurred in connection with such borrowing may not be recovered by appreciation in the securities or debt obligations purchased or carried and will be lost—and the timing and magnitude of such losses may be accelerated or exacerbated—in the event of a decline in the market value of such securities or debt obligations. Gains realized with borrowed funds may cause the fund's NAV to increase at a faster rate than would be the case without borrowings. However, if investment results fail to cover the cost of borrowings, the fund's NAV could also decrease faster than if there had been no borrowings.

Any decrease in the value of credit instruments that we have invested in or any increase in the cost of credit financing would reduce our returns and decrease our net income.

## ***Various exposures to, and investments in, the securities of leveraged companies or companies that are experiencing significant financial or business difficulties involve significant risks.***

We have equity and debt investments in companies that have a significant amount of leverage as well as companies that are currently experiencing, or in the future may experience, significant financial or business difficulties. Our traditional private equity funds typically finance their equity investment in a portfolio company with high yield debt securities and/or leveraged loans. Our real assets funds also often finance a portion of their investment using debt. Certain credit investment vehicles, including CLOs, also hold securities or financial instruments of highly leveraged companies, other companies that are experiencing significant financial or business difficulties or otherwise below investment grade debt. Investments in leveraged companies or companies experiencing financial or business difficulties generally entail greater risk, and such investments are also inherently more sensitive to declines in their company's revenues, increases in their company's expenses, interest rate changes, and other adverse economic, market and industry developments. High yield, below investment grade or unrated debt is often less liquid than investment grade rated debt, and loans and other forms of debt that are not marketable securities are also not liquid. For further information about the fair market value of investment grade corporate loans and securities we indirectly hold through our CLO vehicles that have a below investment grade rating as of December 31, 2023, see Note 2 "Summary of Significant Accounting Policies—Significant Account Policies - Asset Management—Investments" in our financial statements

The incurrence of a significant amount of indebtedness by a company could, among other things, subject the entity to a number of restrictive covenants, terms and conditions, any violation of which would be viewed by creditors as an event of default and could materially impact our ability to realize value from our investment; allow even moderate reductions in operating cash flow to render it unable to service its indebtedness; give rise to an obligation to make mandatory prepayments of debt using excess cash flow, which might limit the company's ability to respond to changing industry conditions to the extent additional cash is needed for the response, to make unplanned but necessary capital expenditures or to take advantage of growth opportunities; limit the entity's ability to adjust to changing market conditions, thereby placing it at a competitive disadvantage compared to its competitors who have relatively less debt; limit the company's ability to engage in strategic acquisitions that might be necessary to generate attractive returns or further growth; and limit the company's ability to obtain additional financing or increase the cost of obtaining such financing, including for capital expenditures, working capital or other general corporate purposes.

A leveraged company's income and equity also tend to increase or decrease at a greater rate than would otherwise be the case if money had not been borrowed. As a result, the risk of loss associated with a leveraged company is generally greater than for comparable companies with comparatively less debt. For example, leveraged companies could default on their debt obligations due to a decrease in revenues and cash flow precipitated by an economic downturn or by poor relative performance at such a company. Similarly, the leveraged nature of some of our investments in real assets increases the risk that a decline in the fair value of the underlying real asset will result in their abandonment or foreclosure. In the absence of appropriate hedging measures, changes in interest rates generally will also cause the value of fixed rate debt investments to vary inversely to such changes. The obligor of a debt security or instrument may 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 may not be available or sufficient to cover such liabilities. Commercial bank lenders and other creditors may 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. Sub-participation interests in syndicated debt may be subject to certain additional risks as a result of having no direct contractual relationship with underlying borrowers. Debt securities and instruments may be 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.

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Certain of our investment vehicles, especially in our strategic investment group credit strategy, may hold interests in business enterprises involved in work-outs, liquidations, reorganizations, bankruptcies and similar transactions and may purchase high-risk receivables. An investment in such business enterprises entails the risk that the transaction in which such business enterprise is involved either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the fund of the security or other financial instrument in respect of which such distribution is received. In addition, if an anticipated transaction does not in fact occur, we or the fund may be required to sell the investment at a loss. Investments in troubled companies may also be adversely affected by U.S. federal and state and non-

U.S. laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and a bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. Investments in securities and private claims of troubled companies made in connection with an attempt to influence a restructuring proposal or plan of reorganization in a bankruptcy case may also involve substantial litigation, which has the potential to adversely impact us or unrelated investment vehicles or portfolio companies. Companies that were not in financial distress at the time we or our investment vehicles made investments may in the future require work-outs, liquidations, reorganizations, bankruptcies or similar transactions, and as a result, become subject to the same risks described above. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies, there is a potential risk of loss of the entire investment in such company. Such investments involve a substantial degree of risk, and a decline in value of the assets would have a material adverse effect on our financial performance.

***Our equity investments and some of our debt investments rank junior to investments made by others, exposing us to greater risk of losing our investment.***

In addition, in many cases, the companies in which we or our investment vehicles invest have, or are permitted to have, outstanding indebtedness or equity securities that rank senior to our or our investment vehicle's investment. By their terms, such instruments may 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 our or our investment vehicle's investment. 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 our investment would typically be entitled to receive payment in full before distributions could be made in respect of our investment. In addition, debt investments made by us or our investment vehicles in our portfolio companies may be equitably subordinated to the debt investments made by third parties in our portfolio companies. After repaying senior security holders, the company may not have any remaining assets to use for repaying amounts owed in respect of our investment. To the extent that any assets remain, holders of claims that rank equally with our investment would be entitled to share on an equal and ratable basis in distributions that are made out of those assets. Also, during periods of financial distress or following insolvency, the ability of us or our investment vehicles to influence a company's affairs and to take actions to protect an investment will likely be substantially less than that of the senior creditors.

***The due diligence process that we undertake in connection with our investments may not reveal all facts that may be relevant in connection with an investment.***

Before making our investments, we conduct due diligence that we believe to be reasonable and appropriate based on the facts and circumstances applicable to each investment. The objective of the due diligence process 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 private equity investments, to prepare a framework that may be used from the date of an acquisition to drive operational achievement and value creation. When conducting due diligence, we typically evaluate a number of important business, financial, tax, accounting, ESG, technological, cyber-security, data privacy, regulatory and legal issues in determining whether or not to proceed with an investment. Outside consultants, legal advisors, accountants and investment banks are involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, we rely on resources available to us, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence process may at times be subjective with respect to newly organized companies or carve-out transactions for which only limited information is available.

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 of our investment vehicles invest in emerging market countries that may not have established laws and regulations that are as stringent as in more developed nations, or where existing laws and regulations may not be consistently enforced. For example, our investment vehicles invest throughout jurisdictions that have material perceptions of corruption according to international rating standards. Due diligence on investment opportunities in these jurisdictions is frequently more complicated because consistent and uniform commercial practices in such locations may not have developed. Bribery, fraud, accounting irregularities and corrupt practices can be especially difficult to detect in such locations.

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The due diligence conducted for certain of our strategies is limited to publicly available information. Accordingly, we cannot be certain that the due diligence investigation that we will carry out with respect to any investment opportunity will reveal or highlight all relevant considerations that may be necessary or helpful in evaluating such investment opportunity, including the existence of contingent liabilities. We also cannot be certain that our due diligence investigations will result in investments being successful or that the actual financial performance of an investment will not fall short of the financial projections we used when evaluating that investment.

***We often pursue investment opportunities that involve unique business, regulatory, legal or other complexities, including complexities arising from the large size of our investment or from a lack of control over the investment, which involves significant risks.***

We often pursue complex investment opportunities, which can often involve substantially greater business, regulatory or legal complexities compared to investments made by traditional asset managers. Our tolerance for complexity presents risks, as such transactions can be more difficult, expensive and time consuming to finance and execute, and it can be more difficult to manage or realize value from these types of investments. Other risks that are often inherent in these kinds of transactions include the following:

- Our transactions may entail a high level of regulatory scrutiny, and our investment may be subject to complex regulatory requirements and instances of non-compliance at the investment level may subject us to reputational harm or, in certain cases, liability.
- Our transactions may involve complex tax structuring that could be challenged or disregarded, which may result in losing treaty benefits or would otherwise adversely impact our investments. These complex tax structures are costly to establish, monitor and maintain, and as we pursue 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.
- We or our investment vehicles may acquire an investment that is subject to significant liabilities, including contingent liabilities, which could be unknown to us at the time of acquisition or, if they are known to us, we may not accurately assess or protect against the risks that they present, which could result in material unforeseen losses.
- We rely on the management of our portfolio companies or other third party operators to provide for financial projections and other information about their companies, businesses or assets, which may not be accurate or realistic and thus could result in performance to fall short of our expectations or even result in bankruptcy. We also rely on the management of our portfolio companies or other third party operators, and their systems and processes, for ongoing financial and other information in support of the valuations of our investments in or with them.

- In connection with the disposition of an investment in a portfolio company, we or an investment vehicle may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of a business, and we or our investment vehicles may also be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate; these arrangements may result in the incurrence of contingent liabilities by us or an investment vehicle, even after the disposition of an investment.

We often make investments in companies, businesses and assets that, in of themselves, involve a high degree of risk, including those: (1) that have limited financial resources and may be unable to meet their obligations under their outstanding indebtedness, which may be accompanied by a significant deterioration in the value of their equity securities or any collateral or guarantees provided with respect to their debt, (2) that significantly depend on their founders and other key persons, the loss of whom could materially and adversely impact the investment, (3) that are businesses or divisions acquired from larger operating entities that require significant and costly rebuilding or replacement of business operations functions, (4) that are subject to litigation or regulatory scrutiny or may be at risk of having significant failures to comply with law (including practices or issues which may not be discovered through due diligence), (5) that are engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence and require substantial additional capital to support their operations, finance expansion or maintain their competitive position, and (6) that operate in an industry that is subject to extensive domestic and foreign regulation (including companies that supply services to governmental agencies), such as the financial services industry, telecommunications industry, defense and government services industry, healthcare industry, oil and gas industry, waste management industry and food industry.

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In addition, as we depend on the efforts, skills, reputations, business contacts, and conduct of individuals affiliated with our portfolio companies (including employees of such portfolio companies), we may be adversely affected, including our reputation, if there is misconduct by senior management or other employees of portfolio companies in which we invest, including through successor liability, and we may be unable to control or mitigate such misconduct. Such misconduct may also negatively affect the valuation of our investments in such portfolio companies. See “—Risks Related to Our Business—Our use We depend on the efforts, skills, reputations, business contacts, and conduct of **derivative financial instruments** our employees and our ability to **manage risk** retain our employees and to recruit prospective employees” for human capital-related risks that also are applicable for us with respect to portfolio companies and other investments.

We also make large private equity and real assets investments, which involve certain complexities and risks that are not encountered in small- and medium-sized investments. For example, larger transactions may be more difficult to finance and exiting larger deals may present incremental challenges. In addition, larger transactions may pose greater challenges in implementing changes in the company's management, culture, finances or operations, and may entail greater scrutiny by regulators, interest groups and other third parties. These constituencies may be more active in opposing larger investments by private equity firms. In some transactions, the amount of equity capital that is required to complete a large capitalization private equity or real asset transaction may be significant and may require significantly more capital than is then available for investment by our investment funds. The consequences to us and our investment vehicles of an unsuccessful larger investment could be more severe given the size of the investment. Moreover, we could be required to commit significant amounts of our capital **markets and** to such large investments.

When we enter into large transactions where the overall size may exceed what we consider appropriate for our investment vehicles, we often seek to syndicate a portion of our capital commitment. A syndication transaction involves KKR seeking third parties to commit equity to our investments, typically as passive co-investors, so that our firm can retain a level of control over the investment. However, if we are unable to syndicate all or part of such commitment, or if such co-investors fail to fund their commitments, we may be required to fund the remaining commitment amount from our balance sheet. If we are required to keep on our balance sheet a large portion of the capital commitment that could not be syndicated to third parties, poor performance of such large investment may have a material adverse impact on our financial results. Alternatively, we may enter into consortium transactions, which involves an equity investment in **Global Atlantic's insurance business** which two or more firms serve as equity sponsors. Consortium transactions generally entail a reduced level of control by our firm over the investment because governance rights must be shared with the other consortium investors. Accordingly, we may not be **effective** able to control decisions, including decisions relating to the management and operation of the company and the timing and nature of any exit, which could result in the risks described herein.

In addition, we and our investment vehicles hold investments that include debt instruments and equity securities of companies that we do not control. Such instruments and securities may be acquired through trading activities or **efficient**, through purchases of securities from the issuer, or we may purchase such instruments and securities on a principal basis. Our investment vehicles may acquire minority equity interests, particularly when making private equity investments in Asia, making growth equity investments or sponsoring investments as part of an consortium transaction or through many of our credit funds. Our funds may also dispose of a portion of their majority equity investments in portfolio companies over time in a manner that results in the funds retaining a minority investment. Non-control investments will be subject to the risk that the company in which the investment is made may make business, financial or management decisions with which we do not agree, or that the majority stakeholders or the management of the company may take risks or otherwise act in a manner that does not serve our interests.

The failure of our investments, whether because of the material diminution of value, bankruptcy, failure to comply with laws, or otherwise, could subject us to various adverse effects in addition to adversely affecting our financial results, including causing us reputational harm, the diminished ability to raise successor funds or new investment vehicles, and limitations on our ability to invest in similar companies, regions or industries in the future.

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**Our funds and our firm through our balance sheet may We make a limited number of investments, or investments that are highly concentrated in certain issuers, by type of issuer, geographic regions or region, asset types, which could negatively affect our performance or the performance of our funds to the extent those concentrated assets perform poorly, otherwise.**

The governing agreements of our funds and other investment vehicles contain only limited investment restrictions and only limited requirements as to diversification of fund investments, either by geographic region or asset type. Our private equity funds generally permit up to 20% of the fund to be invested in a single company. We also **advise manage** funds that invest in a single **industry asset class** such as growth equity, infrastructure or real estate, or funds that focus on particular geographic region. During periods of difficult **market conditions or slowdowns in these sectors or geographic regions, decreased revenues, difficulty in obtaining access to financing and increased funding costs may be exacerbated by this concentration of investments, which would result in lower investment returns.** Because a significant portion of a fund's an investment vehicle's capital may be invested in a single investment or portfolio company, a loss with respect to such investment or portfolio company could have a material adverse impact on such **fund's investment**

vehicle's capital. Accordingly, a lack of diversification on the part of a fund an investment vehicle could materially and adversely affect a fund's performance and therefore, our results of operations and financial condition.

an investment vehicle's performance. Similarly, our balance sheet has significant exposures to certain issuers, industries or asset classes, portfolio companies, in particular large investments in a small number of portfolio companies that we have made through our core private equity strategy. Because we hold interests in some of our portfolio companies both through our balance sheet investments in our private equity funds investment vehicles and direct co-investments, fluctuation in the fair values of these portfolio companies may have a disproportionate impact on the investment income earned by us as compared to other portfolio companies. In these circumstances, losses may have an even greater impact on our results of operations and financial condition, us, as we would directly bear the full extent of such losses. Our balance sheet also has significant exposures to a small group of companies. As a result, our investment income financial performance is expected to be subject to greater volatility depending on such companies' operating results and other idiosyncratic factors specific to such companies, and in the case of publicly traded companies, our operating results would be impacted by volatility in the Credit and Liquid Strategies generally and in the stock price of such companies. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Balance Sheet Measures" for information on significant investments held on our balance sheet, including a list of the 20 largest investments held on our balance sheet.

**Many of our investments are illiquid, and we may fail to realize any profits from our investments for a considerable period of time or lose some or all of the capital invested.**

We (including our insurance subsidiaries) and our investment vehicles hold investments in securities that are not publicly traded. In many cases, we may be prohibited by contract or by applicable securities laws from selling such securities at many points in time. We will generally not be able to sell these securities publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration is available, and then only at such times when we do not possess material nonpublic information. Our ability to dispose of investments is heavily dependent on the capital markets and in particular the public equity markets. For example, the ability to realize any value from an investment may depend upon the ability to complete an initial public offering of the portfolio company in which such investment is made. Even if the securities are publicly traded, large holdings of securities can often be disposed of only over a substantial length of time, exposing our investment returns to risks of downward movement in market prices during the intended disposition period. Moreover, because the investment strategy of many of our investment vehicles, particularly in our private equity strategy, often entails having representation on the public portfolio company's board of directors, and we may be restricted in our ability to effect such sales during certain time periods. In addition, market conditions and the regulatory environment can also delay our ability to exit and realize value from these investments. For example, rising interest rates and challenging credit markets may make it difficult for potential buyers to raise sufficient capital to purchase our investments. Although the equity markets are not the only means by which we exit investments from our funds, the strength and liquidity of the U.S. and relevant global equity markets generally, and the initial public offering market specifically, affect the valuation of, and our ability to successfully exit, our equity positions in the portfolio companies of our funds in a timely manner. We may also realize investments through strategic sales. Difficult market and economic conditions could increase the cost of credit or cause a degradation in debt financing terms for potential buyers, either of which may adversely impact our ability to identify, execute and exit investments on attractive terms. When financing is not available or becomes too costly, it may be more difficult to find a buyer that can successfully raise sufficient capital to purchase our investments. In addition, volatile debt and equity markets may also make the exit of our investments more difficult to execute. Government policies regarding certain regulations, such as antitrust law, national security or restrictions on foreign investment in certain of our portfolio companies or assets can also limit our and our investment vehicles' exit opportunities.

In addition, as many of our funds have a finite term, we could also be forced to dispose of investments sooner than otherwise desirable. Accordingly, under certain conditions, our funds may be forced to either sell their investments at lower prices than they had expected to realize or defer sales that they had planned to make, potentially for a considerable period of time. Moreover, with respect to investments that we hold directly, we may determine that we may be required to sell these investments alongside our funds' investments at such times.

We also have made and expect to continue to make significant capital investments in our current and future funds and other investment vehicles. Contributing capital to these investment vehicles is risky, and we may lose some or all of the principal amount of our investments.

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### **Our investments in real assets such as real estate, infrastructure and energy may expose us to increased risks and liabilities.**

Investments in real assets, including in portfolio companies with significant holdings of these types of assets, which may include real estate, infrastructure, oil and gas properties and other energy assets, may expose us to increased risks and liabilities that are inherent in the ownership of real assets as compared to investments in other asset classes.

For example, investments in real assets may, among other things, involve the following risks.

- Our investment vehicles, and directly or indirectly KKR through our insurance subsidiaries or general partner interests in our funds, may be subject to increased risk of liability under environmental laws that impose, regardless of fault, joint and several liability for the cost of remediating contamination and compensation for damages. In addition, changes in environmental laws or regulations or the environmental condition of an investment may create liabilities that did not exist at the time of acquisition and may not have been foreseeable. Even in cases where we are indemnified by a 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 our ability to achieve enforcement of such indemnities.
- Investments in real assets may be subject to additional risk of liability for personal and property injury, for which we may not be fully insured or indemnified, or impose significant operating challenges and costs, for example with respect to compliance with zoning, environmental or other applicable laws.
- Investments in real assets may be subject to construction risks, including: (i) labor disputes, shortages of material and skilled labor, or work stoppages; (ii) the availability and timely receipt of zoning and other regulatory or environmental approvals; (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; and (viii) catastrophic events such as explosions, fires and terrorist activities or cyberattacks, and other similar events. Recourse against the contractor may be subject to liability caps or may be subject to default or insolvency on the part of the contractor. 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.

- Investments in real assets may involve significantly enhanced risks relating to significant catastrophic or force majeure events, which could materially and adversely affect us, including, among other effects, causing personal injury or loss of life, damage to property, or disruptions of service, any of which may result in permanent loss of customers, litigation, or penalties for regulatory or contractual non-compliance.
- The management of the business or operations of a real asset may be contracted to a third-party management company unaffiliated with us. Although it would be possible to replace any such operator, the failure of such an operator to adequately perform its duties or to act in ways that are in the best interest of the investment, or the breach by an operator of applicable agreements or laws, rules and regulations, including instances of bribery, fraud or other deceptive practices, could have a material adverse effect on us. Real asset investments may involve the subcontracting of activities in respect of projects, and as a result our investments are subject to the risk that contractual provisions passing liabilities to a subcontractor could be ineffective, the subcontractor fails to perform services that it has agreed to perform, and subcontractor insolvency.
- Technology advances, legislative changes, or changes in consumer's preferences or ESG-focus may decrease the value of our real assets investments.
- Real assets may 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 our related investments. See "—Risks Related to Our Business—Natural disasters and catastrophes, including public health crises, and potential changes in climate conditions could materially and adversely affect KKR." Although we may invest in a diverse range of real assets, certain types of real assets are subject to heightened risks, including certain infrastructure assets, such as in the renewable energy industry, which is a rapidly evolving market and contractual arrangements related to air craft leasing are impacted by the cyclical and competitive attributes of the airline industry.

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Without limiting the foregoing risks, investments that we manage and may make in the future in the oil and gas industry may present specific environmental, safety and other inherent risks. Such investments are subject to stringent and complex foreign, federal, state and local laws, ordinances and regulations specific to oil and gas industries, including, for example, those governing transportation, exploration and production of oil and natural gas. There are also various conservation laws and regulations applicable to oil and natural gas production and related operations, in addition to regulations governing occupational health and safety, the discharge of materials into the environment and other practices relating to environmental protection. Failure to comply with applicable laws, ordinances and regulations may result in the assessment of administrative, civil and criminal penalties, the imposition of remedial obligations, the incurrence of delays in the permitting, development or expansion of projects and the issuance of orders enjoining some or all of our operations in affected areas. These laws, ordinances and regulations may also restrict the rate of oil and natural gas production below the rate that would otherwise be possible, require additional permits for operations or require the installation of additional pollution control equipment, the costs of each of which could be material and reduce profitability. In addition to the risks listed above, our oil and gas investments are subject to other risks, such as:

- commodity price volatility and realized oil, natural gas and natural gas liquid ("NGL") prices;
- adverse variations from estimates of reserves, production, prices and expenditure requirements, and associated inability to replace reserves through exploration and development activities;
- information technology failures or cyberattacks;
- for non-operated properties, dependence on the skill, ability and decisions of third-party operators, their exploration, development, drilling and completion activities, the timing and cost of drilling, completing and operating wells and their ability to comply with applicable laws, rules and regulations;
- political and economic conditions and events in foreign oil, natural gas and NGL producing countries, including embargoes, continued hostilities in the Middle East and other sustained military campaigns, 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; and
- if commodity prices decline and remain depressed for a prolonged period, the possibility that a significant portion of our development projects becomes uneconomic and cause significant write-downs of the value of our oil and gas properties.

Similarly, investments in both commercial and residential real estate are subject to the specific risks inherent in the ownership and operation of real estate and real estate-related businesses and assets. These risks include those generally associated with the ownership of real property, such as: general and local economic conditions; changes in supply of and demand for competing properties in an area; fluctuations in the average occupancy; the financial resources of tenants; changes in building, environmental and other laws; energy and supply shortages; various uninsured or uninsurable risks; natural disasters; changes in government regulations (such as rent control); changes in real property tax rates; changes in interest rates; the reduced availability of mortgage funds that may render the sale or refinancing of properties difficult or impracticable; negative developments in the economy; and contingent liabilities on disposition of assets. Our real estate investments are also subject to additional risks, including the following:

- The success of certain investments will depend on the ability to restructure and effectuate improvements in the operations of the applicable properties, and there is no assurance that we will be successful in implementing such restructuring programs and/or improvements;
- If we acquire direct or indirect interests in undeveloped land or underdeveloped real property, which may often be non-income producing, they will be subject to the risks normally associated with such assets and development activities, including risks relating to the availability and timely receipt of zoning and other regulatory or environmental approvals, the cost and timely completion of construction, and the availability of both construction and permanent financing on favorable terms;



- The strategy of our real estate investment vehicles may be based, in part, on the availability for purchase of assets at favorable prices followed by the continuation or improvement of market conditions or on the availability of refinancing. No assurance can be given that real estate businesses or assets can be acquired or disposed of at favorable prices or that refinancing will be available;

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- In connection with obtaining commercial loans backed by real estate, the lender will typically require a “bad boy” guarantee, in which our investment vehicles and we (including our insurance subsidiaries) may guarantee liability for environmental liabilities and bad acts including fraud, intentional misrepresentation, voluntary bankruptcy and other acts. It is expected that commercial real estate financing arrangements generally will require “bad boy” guarantees and in the event such guarantee is called, a fund’s or our assets could be materially and adversely affected;
- The acquisition, ownership and disposition of real properties carries certain litigation risks pertaining to liabilities arising before, during and after the period of ownership. For example, litigation may be commenced by third parties such as renters or tradesmen with respect to activities that took place prior to the acquisition of such property. After the sale of a real estate asset, buyers may later sue for losses associated with problems alleged not to have been assumed by the buyer; and
- We manage REITs, which may be affected by changes in the value of their underlying properties and by defaults by borrowers or tenants. REITs depend on their ability to generate cash flow to make distributions and may be impacted by changes in tax laws or by a failure to qualify for tax-free pass through income. Investments in real estate debt investments may be unsecured and subordinated to a substantial amount of indebtedness and may not be protected by financial covenants. Non-performing real estate loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. Investments in commercial mortgage loans are subject to risks of delinquency, foreclosure and loss of principal. In the event of any default under a mortgage loan held directly by our investment vehicle or us, our investment vehicle or we will bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the loan. Investments in assets or businesses that are distressed may have little or no near-term cash flow and involve a high degree of risk. Such investments subject to bankruptcy or insolvency could be subordinated or disallowed.

Our infrastructure investments are also subject to additional risks, including the following:

- the acquisition of infrastructure assets involves substantive continuing involvement by, or an ongoing commitment to, regulatory agencies, which often have considerable discretion to change or increase regulation of the operations of infrastructure assets. There can be no assurance that (i) existing regulations applicable to acquisitions generally or the infrastructure assets will not be revised or reinterpreted; (ii) new laws and regulations will not be adopted or become applicable to infrastructure assets, which might impose conditions on the construction, operations and activities of an infrastructure asset as a condition to receiving regulatory approval or to satisfy regulatory requirements; (iii) the technology, equipment, processes and procedures selected by infrastructure assets to comply with current and future regulatory requirements will meet such requirements; (iv) such infrastructure assets’ business and financial conditions will not be materially and adversely affected by such future changes in, or reinterpretation of, laws and regulations (including the possible loss of exemptions from laws and regulations) or any failure to comply with such current and future laws and regulations; or (v) regulatory agencies or other third parties will not bring enforcement actions in which they disagree with regulatory decisions made by other regulatory agencies. Infrastructure assets may rely on complex government licenses, concessions, leases or contracts, which may be difficult to obtain or maintain. Furthermore, regulatory agencies could be influenced by political considerations and could make decisions that adversely affect an infrastructure asset’s business, infrastructure assets may become politicized, which could attract an undesirable level of publicity;
- in many instances, the operation or acquisition of infrastructure assets may involve an ongoing commitment to or from municipal, state, federal or foreign government or regulatory agencies. The nature of these obligations exposes the owners of infrastructure assets 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 could otherwise result in additional costs and material adverse consequences to an infrastructure asset and investments in such assets;
- infrastructure investments may require operators to manage such investments, and such operators’ failure to comply with laws may materially and adversely affect the value of such investments and cause us serious reputational and legal harm;
- from a commercial perspective, revenues for such investments may rely on contractual agreements for the provision of services with a limited number of counterparties and are consequently subject to heightened counterparty default risk;
- the operations and cash flow of infrastructure investments are also more sensitive to inflation and, in certain cases, commodity price risk; and

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- services provided by infrastructure investments may be subject to rate regulations by government entities that determine or limit prices that may be charged and users of applicable services, or government entities in response to such users, may react negatively to any adjustments in rates, which may reduce the profitability of such infrastructure investments’.

**Our growth equity strategy invests in emerging and less established companies that are heavily dependent on new technologies where success is less certain.**

Our growth equity investment vehicles may make investments in companies that are in a conceptual or early stage of development. These companies are often characterized by short operating histories, new technologies and products, quickly evolving markets, management teams that may have limited experience working together and, in many cases, negative cash flow, all of which enhance the difficulty of evaluating these investment opportunities and the ultimate success of such investments. 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 or untested

business models, products and services; high levels of competition among similarly situated companies; new competing products and technology; lower barriers to entry and downward pricing pressure; 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. In addition, growth equity companies may be more susceptible to macroeconomic effects and industry downturns, and their valuations may be more volatile depending on the achievement of milestones, such as receiving a governmental license or approval. Growth equity companies generally depend heavily on intellectual property rights, including patents, trademarks and proprietary products or processes. The ability to effectively enforce patent, trademark and other intellectual property laws in a cost-effective manner will affect the value of many of these companies. The presence of patents or other intellectual property rights belonging to other parties may lead to the termination of the research and development of a portfolio company's particular product. In addition, if a portfolio company infringes on third-party patents or other intellectual property rights, it could be prevented from using certain third-party technologies or forced to acquire licenses in order to obtain access to such technologies at a high cost.

***We make investments in companies and assets that are based outside of the United States, which may expose us to additional risks not typically associated with investing in companies that are based in the United States or materially exacerbate risks associated with investing in companies and assets based in the United States.***

We invest a significant portion of our assets under management in the equity, debt, loans or other securities of issuers and in other assets that are based outside of the United States. Investing in companies or assets that are based or have significant operations in countries outside of the United States and, in particular, in emerging markets such as China and India, Eastern Europe, South and Southeast Asia, Latin America and Africa, involves risks and considerations that are not typically associated with investments in companies or assets established in the United States. These risks may include the following:

- the possibility of restrictions on foreign direct investment and exchange control regulations;
- restrictions on repatriation of profit on investments or of capital invested;
- the imposition of non-U.S. taxes or withholding taxes on income or gain with respect to certain assets and/or changes in tax law;
- differences in the legal and regulatory environment, such as the recognition of information barriers, or enhanced legal and regulatory compliance;
- greater levels of corruption and potential exposure to the FCPA and other laws that prohibit improper payments or offers of payments to foreign governments, their officials and other third parties;
- violations of trade sanctions or trade control regimes and the potential for the imposition of new or additional tariffs;
- limitations on borrowings to be used to fund acquisitions or dividends;
- limitations on the deductibility of interest and other financing costs and expense for income tax purposes in certain jurisdictions;
- limitations on permissible counterparties in our transactions or consolidation rules that effectively restrict the types of businesses in which we may invest;

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- political risks generally, including political and social instability, nationalization, expropriation of assets or political hostility to investments by foreign or private equity investors;
- less liquid markets;
- reliance on a more limited number of commodity inputs, service providers or distribution mechanisms;
- adverse fluctuations in currency exchange rates and costs associated with conversion of investment principal and income from one currency into another;
- higher rates of inflation;
- less available current information about an issuer;
- higher transaction costs;
- less government supervision of exchanges, brokers and issuers;
- less developed bankruptcy and other laws;
- greater application of concepts like equitable subordination, which may, in bankruptcy or insolvency, result in the subordination of debt or other senior interests held by our investment funds, vehicles or accounts in companies in which our investment funds, vehicles or accounts also hold equity interests;
- difficulty in enforcing contractual obligations;
- lack of uniform or robust accounting, auditing, financial reporting standards, practices and disclosure requirements, and less government supervision and regulation;
- less stringent requirements relating to fiduciary duties;
- fewer investor protections; and
- greater price volatility.

See also “—Risks Related to Our Business—Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties, which could materially and adversely affect KKR,” “—Risks Related to Our Business—Difficult market and economic conditions can, and periodically do, materially and adversely affect KKR,” and “—Risks Related to Our Business—Geopolitical developments and other...”

**Third-party investors in our investment vehicles with commitment-based structures may not satisfy their contractual obligation to fund capital calls when requested by us, which could adversely affect an investment vehicle's operations and performance.**

Investors in our funds and certain other investment vehicles make capital commitments that our funds and other investment vehicles are entitled to call from those investors at any time during prescribed periods. We depend on these investors fulfilling their commitments when we call capital from them in order for such investment vehicles to consummate investments and otherwise pay their obligations (for example, management fees) when due. Any such investor that did not fund a capital call would generally be subject to several possible penalties, including having a significant amount of existing investment forfeited in that investment vehicle. However, the impact of the penalty is directly correlated to the amount of capital previously invested by the investor in the investment vehicle. If an investor has invested little or no capital, for instance, early in the life of the investment vehicle, then the forfeiture penalty may not be as meaningful. Investors may in the future also negotiate for lesser or reduced penalties at the outset of the investment vehicle, thereby inhibiting our ability to enforce the funding of a capital call. If our investment vehicle investors were to fail to satisfy a significant amount of capital calls for any particular investment vehicle or investment vehicles, the operation and performance of those investment vehicles could be materially and adversely affected.

**Our business activities may give rise to a conflict of interest with our clients.**

As we have expanded and as we continue to expand the number and scope of our businesses, we increasingly confront potential conflicts of interest relating to investment activities among our various funds investment vehicles and also our own account, investments made by our balance sheet, which includes our insurance subsidiaries. For example:

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- In pursuing the interest of our fund investors, we may take actions that could reduce our AUM or our profits that we could otherwise realize in the short term;
- We may be required to allocate investment opportunities among investment funds vehicles that may have overlapping investment objectives, including vehicles that may have different fee structures, and among KKR co-investment investment vehicles (including vehicles in which KKR employees may invest) and third-party co-investors;
- We may decide to transfer (or not to transfer) assets owned by us on our balance sheet to our investment funds, including our public, semi-public or democratized access investment vehicles or accounts we manage, which could give rise to claims of conflicts of interest, including with respect to the nature of these assets and the method by which they were valued;
- We may, on behalf of our funds investment vehicles or KKR itself, our balance sheet (including our insurance subsidiaries), buy, sell, hold or otherwise deal with securities or other investments that may be purchased, sold or held by our other funds investment vehicles or that are otherwise issued by a portfolio company in which our funds investment vehicles or we invest. Conflicts of interest may arise between a fund, an investment vehicle, on one hand, and KKR (including our insurance subsidiaries), on the other, or among our funds investment vehicles, including but not limited to those relating to the purchase or sale of investments, the structuring of, or exercise of rights with respect to investment transactions, and the advice we provide to our funds, investment vehicles and our insurance subsidiaries. For example, we KKR or a specific investment vehicle may sell an investment at a different time or for different consideration than our funds; other investment vehicles;
- We may invest on behalf of our fund investment vehicles, or for our own account, in a portfolio company of one fund investment vehicle that is a competitor, service provider, supplier, customer, or other counterparty with respect to a portfolio company of another fund; investment vehicle;
- We may structure an investment in a manner that may be attractive to fund investment vehicle investors from a tax perspective even though KKR is required to pay corporate taxes;
- A decision to acquire material non-public information about a company while pursuing an investment opportunity for a particular fund investment vehicle or our own account may result in our having to restrict the ability of other funds investment vehicles to take any action with regards to that company or its securities;
- Our fiduciary obligations to our fund investment vehicle investors may preclude us from pursuing attractive proprietary investment opportunities, in particular as we enter into strategic relationships with broad investment mandates similar to the investments we make with our balance sheet. Notwithstanding the foregoing, we also allocate certain investments that we believe are not suitable for our funds to our balance sheet;
- Conflicts may arise in allocating investments, time, services, expenses or resources among the investment activities of our funds, investment vehicles, KKR (including our insurance subsidiaries), other KKR-affiliated entities and the employees of KKR;
- Our employees have made personal investments in a variety of our investment funds vehicles, which may result in conflicts of interest among investors of our funds investment vehicles or stockholders regarding investment decisions for these funds; investment vehicles;
- The general partner's Our entitlement to receive carried interest from many of our funds investment vehicles may create an incentive for that general partner us to make riskier and more speculative investments on behalf of a fund an investment vehicle than would be the case in the absence of such an arrangement. In addition, for our funds investment vehicles that pay carried interest based on accrued rather than realized gains, the amount of carried interest to which the general partner is we are entitled and the timing of its receipt of carried interest will depend on the our valuation by the general partner of the fund's investment vehicle's investment;

- Under the 2017 Tax Act, investments must be held for more than three years, rather than the prior requirement of more than one year, for carried interest to be treated for U.S. federal income tax purposes as capital gain, which may create a conflict of interest between the limited partner investors (whose investments would receive such capital gain treatment after a holding period of only one year) and the general partner on the execution, closing or timing of sales of **a fund's an investment vehicle's** investments in connection with the receipt of carried interest;
- From time to time, one of our funds or other investment vehicles (including CLOs) may seek to effect a purchase or sale of an investment with one or more of our other funds or other investment vehicles in a so-called "cross transaction," or we **(including our insurance subsidiaries)** as a principal may seek to effect a purchase or sale of our investment with one or more of our funds or other investment vehicles in a so-called "principal transaction";

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- A dispute may arise between our portfolio companies, and if such dispute is not resolved amicably or results in litigation, it could cause significant reputational harm to us, and our **fund investment vehicle** investors may become dissatisfied with our handling of the dispute;
- The investors in our investment vehicles are based in a wide variety of jurisdictions and take a wide variety of forms, and consequently have diverging interests among themselves from a regulatory, tax or legal perspective or with respect to investment policies and target risk/return profiles; and
- We or our affiliates, including our capital markets business, may receive fees or other compensation in connection with specific transactions or different clients that may give rise to conflicts. The decision to take on an opportunity in one of our businesses may, as a practical matter, also limit the ability of one or our other businesses to take advantage of other related opportunities.

In addition, **allocating investment opportunities appropriately frequently involves significant and subjective judgments. The risk that investors in our funds investment vehicles or regulators could challenge allocation decisions as inconsistent with our obligations under applicable law, governing fund agreements, or our own policies cannot be eliminated. Moreover, the perception of noncompliance with such requirements or policies could harm our reputation with fund investors. As with our investment allocation decisions generally, there is a risk that regulators or investors in our investment vehicles could challenge our allocations of co-investment opportunities or fees and expenses. For example, any steps taken by the SEC to preclude or limit certain conflicts of interest would make it more difficult for our investment vehicles to pursue transactions that may otherwise be attractive to the fund and its investors, which may adversely impact fund performance.**

**In addition, our investment vehicles also invest in a broad range of asset classes throughout the corporate capital structure. These investments include investments in corporate loans and debt securities, preferred equity securities and common equity securities. In certain cases, we (including our insurance subsidiaries) or our investment vehicles may manage separate funds that invest in different parts of the same company's capital structure. For example, our credit funds investment vehicles may invest in different classes of the same company's debt and may make debt investments in a company that is owned by one of our private equity funds, investment vehicles. In those cases, the interests of KKR and our funds investment vehicles may not always be aligned, which could create actual or potential conflicts of interest or the appearance of such conflicts. For example, one of our private equity funds could have an interest in pursuing an acquisition, divestiture or other transaction that, in its judgment, could enhance the value of the private equity investment, even though the proposed transaction would subject one of our credit fund's investment vehicle's debt investments to additional or increased risks. Finally, our ability to effectively implement a public securities strategy may be limited to the extent that contractual obligations entered into in the ordinary course of our private equity business impose restrictions on our engaging in transactions that we may be interested in otherwise pursuing.**

We may also **invest, or** cause different investment **funds vehicles** to invest, in a single portfolio company, for example, where the **fund investment vehicle** that made an initial investment no longer has capital available to invest. **Conflicts may also arise where our insurance subsidiaries make investments, we make balance sheet investments for our own account or we permit employees to invest alongside our funds or our balance sheet for their own account.** In certain cases, we may require that a transaction or investment be approved by fund investors or their advisory committees, be approved by a committee of independent directors of Global Atlantic, be approved by an independent valuation expert, be subject to a fairness opinion, be based on arm's-length pricing data or be calculated in accordance with a formula provided for in **a fund's an investment vehicle's** governing documents prior to the completion of the relevant transaction or investment to address potential conflicts of interest. Such instances include principal transactions where we or our affiliates warehouse an investment in a portfolio company for the benefit of one or more of our **funds investment vehicles** pending the contribution of committed capital by the investors in such **funds, investment vehicles**, follow-on investments by **a fund an investment vehicle** other than **a fund an investment vehicle** that made an initial investment in a company, or transactions in which we arrange for one of our **funds investment vehicles** to buy a security from, or sell a security to, another one of our **funds, investment vehicles**.

**In addition to the foregoing, While we may also encounter conflicts of interest with our insurance subsidiaries and with Global Atlantic generally. For example, we will try to mitigate these conflicts of interests, when transactions may be suitable for both our insurance subsidiaries and our investment funds. We also try to mitigate conflicts of interest or when transactions may be suitable for both multiple accounts, including our insurance subsidiaries and our own balance sheet. However, sheet, we may be unsuccessful in such mitigation efforts, or we may be obliged to take an action or refrain from taking an action that would be advantageous to us as a firm. To the extent we are unable to effectively manage these conflicts of interest, our reputation, business and financial results may be adversely affected.**

Appropriately dealing with actual or perceived conflicts of interest is complex and difficult and we could suffer reputational damage or potential liability if we fail, or appear to fail, to deal appropriately with conflicts as they arise. Regulatory scrutiny on, or litigation in connection with, conflicts of interest could have a material adverse effect on our reputation, which could in turn materially and adversely affect our business in a number of ways, including as a result of an inability to raise additional **funds, investment vehicles**, an inability or unwillingness **for customers** to enter into or establish new insurance business with Global Atlantic without material restrictions or at all, and a reluctance of counterparties to do business with us.

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**Investors in certain of our investment vehicles are entitled to redeem their investments in these vehicles on a periodic basis, basis, and certain of our investment advisory agreements may be terminated with minimal notice.**

Unlike investors in our traditional real estate and infrastructure funds, which in general do not permit redemptions of their fund interests until the liquidation of the funds upon their scheduled dates to terminate, our core real estate and infrastructure funds permit their investors to redeem their funds' fund interests from time to time. Substantial redemptions could be triggered by a number of events, including fund investment performance, events in the markets, significant change in our personnel, our removal or replacement as the investment manager of the fund, investment vehicle, legal or regulatory issues that investors perceive to have a bearing on the fund, investment vehicle, or other events. While the general partner of such funds has no obligation to take any actions to satisfy redemption requests other than out of available cash in the fund, investment vehicle, actions taken to meet substantial redemption requests could result in material adverse effect to the fund's fund's investments, ability to make new investments, or otherwise be able to achieve its investment objects, which could negatively impact our financial results.

Investors in certain of our leveraged credit investment vehicles may generally submit redemptions to redeem their investments on a quarterly, monthly, or other periodic basis (subject to, in some cases, the expiration of a specified period of time or, in certain cases, a withdrawal fee on withdrawals before the expiration of a specified period), subject to the applicable investment vehicle's specific redemption provisions. Factors that could result in investors leaving our investment vehicles include changes in interest rates that make other investments more attractive, changes in or rebalancing due to investors' asset allocation policy, changes in investor perception regarding our focus or alignment of interest, unhappiness with an investment vehicle's performance or investment strategy, changes in our reputation, departures or changes in responsibilities of key investment professionals, and performance and liquidity needs of investment vehicle investors. In a declining market or period of economic disruption or uncertainty, the pace of redemptions and consequent reduction in our AUM could accelerate. The decrease in revenues that would result from significant redemptions from our investment vehicles or other similar investment vehicles could have a material adverse effect on our business, revenues, net income and cash flows.

We also currently sponsor, and expect to further sponsor, investment vehicles that are offered to individual investors where the terms of such vehicles typically permit periodic redemptions in accordance with the terms set forth in their applicable disclosure documents. There is a risk that such vehicles will lack adequate liquidity to satisfy any unexpected redemption requests, which may occur for a variety of reasons, including, in addition to the ones identified above, compliance obligations of their investors and increases in their investors' investors' liquidity needs, which tend to be more pronounced during periods of market volatility and which may escalate in any period and be particularly pronounced for investment vehicles whose governing agreements permit fund investment vehicle investors, up to certain limits or caps, to submit redemption requests periodically, including potentially as frequently as monthly. Any such redemptions would decrease our AUM and revenues. While terms such as caps or limits on redemption amounts may potentially reduce some of the risks around liquidity, decreased AUM and revenues and other concerns, there could still be significant and materially adverse reputational harm caused by redemption requests that in the aggregate trigger any caps or limits that legally permit our vehicles to "gate" "gate" or not honor redemption requests, and this could also cause materially adverse harm to the respective investment vehicle. During periods of market volatility, investor subscriptions to such vehicles are likely to be reduced, and investor redemption or repurchase requests are likely to be elevated, which may negatively impact the fees we earn from such vehicles.

The inclusion of redemption features in the investment vehicles offered by us create heightened risk of operational error, including with respect to the calculation of net asset values. Any such errors could adversely affect the exercise of redemption rights by their investors and could materially and adversely affect our revenues and profitability, including as a result of any resulting litigation or regulatory investigations. In addition, general concerns about market or macroeconomic conditions not specific to us or our investment vehicles could materially increase the number of redemption requests our investment vehicles receive, which would further enhance these risks. See "—Risks Related to Our Business—Certain types of investment vehicles, especially those offered to individual investors, may subject us to new and greater levels of public and regulatory scrutiny, regulation, risk of litigation, and reputational risk, which could materially and adversely affect us."

***Certain of our investment advisory arrangements may be terminated with minimal notice.***

Investors in our funds in certain of our leveraged credit investment vehicles may generally submit redemptions to redeem their investments on a quarterly, monthly, or other periodic basis (subject to, in some cases, the expiration of a specified period of time or, in certain cases, a withdrawal fee on withdrawals before the expiration of a specified period), subject to the applicable fund's specific redemption provisions. Factors that could result in investors leaving our funds include changes in interest rates that make other investments more attractive, changes in or rebalancing due to investors' asset allocation policy, changes in investor perception regarding our focus or alignment of interest, unhappiness with a fund's performance or investment strategy, changes in our reputation, departures or changes in responsibilities of key investment professionals, and performance and liquidity needs of fund investors. In a declining market or period of economic disruption or uncertainty, the pace of redemptions and consequent reduction in our AUM could accelerate. The decrease in revenues that would result from significant redemptions from our funds or other similar investment vehicles could have a material adverse effect on our business, revenues, net income and cash flows.

A portion of assets invested in our funds investment vehicles in the Credit and Liquid Strategies business line are managed through separately managed accounts or entities structured for investment by one investor or related investors whereby we earn management and incentive fees, and we intend to continue to seek additional separately managed account or single entity mandates. The investment management agreements we enter into in connection with managing separately managed accounts or entities on behalf of certain clients may be terminated by such clients on little or no notice. In addition, we provide sub-advisory services to other investment advisers and managers. Such investment advisers and managers could terminate our sub-advisory agreements on little or no notice. In the case of any such terminations, the management and incentive fees we earn in connection with managing such account or company would immediately cease, which could result in a material adverse impact on our revenues.

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In addition, certain funds investment vehicles in our Credit and Liquid Strategies business line are registered under the Investment Company Act as management investment companies. These funds investment vehicles and KKR Credit Advisors (US) LLC, which serves as their respective investment adviser, advisers are subject to the Investment Company Act and the rules thereunder. The management fees we and our affiliate receive for managing registered investment companies and our BDC BDCs will generally be subject to contractual rights the company's company's board of directors or the investment adviser has to terminate KKR's KKR's or our affiliate's affiliate's management of an account on as short as 60 days' days' prior notice. Termination of these agreements would reduce the fees we earn from the relevant funds, investment vehicles, which could have a material adverse effect on our results of operations. us.

Finally, certain of our investment management agreements with clients, including our agreements with KREF, Crescent, Energy Global Atlantic and Global Atlantic, other investment vehicles, may be terminated by the client based on the terms stated in those agreements, which include the possibility to terminate due to materially poor investment management.

***Our stakes in our hedge fund partnerships subject us to numerous additional risks.***

Our stakes in our hedge fund partnerships subject us to numerous additional risks applicable to hedge funds and funds of funds, including the following:

- Generally, there are few limitations on the execution of investment strategies of a hedge fund or fund of funds, which are subject to the sole discretion of the management company or the general partner of such funds;
- A fund of funds is subject to **unique** risks related to the limited rights it has to withdraw, redeem, transfer or otherwise liquidate its investments from the underlying hedge funds or other funds in which it **invests**. It may be impossible or costly for hedge funds or such other funds to liquidate positions rapidly in order to meet margin calls, withdrawal requests, redemption requests or otherwise, particularly if there are other market participants seeking to dispose of similar assets at the same time or the relevant market is otherwise moving against a position or in the event of trading halts or daily price movement limits on the market or otherwise. In addition, terms of the governing documents of the relevant portfolio funds may limit withdrawal, redemption, transfer or liquidation of investments, **invests**, including restrictions on the redemption of capital **for an initial period, restrictions and** on the amount, **frequency, timing and size of** redemptions and the frequency with which redemptions can be made and investment minimums that must be maintained. Portfolio funds also typically reserve the right to reduce ("gate") or suspend redemptions, to set aside ("side pocket") capital that cannot be redeemed for so long as an event or circumstance has not occurred or ceased to exist, respectively, and to satisfy redemptions by making distributions in-kind, under certain circumstances. Moreover, these risks may be exacerbated for funds of funds. For example, if a fund of funds were to invest a significant portion of its assets in two or more hedge funds that each had illiquid positions in the same issuer, the illiquidity risk for such fund of funds would be compounded. **redemptions**;
- Hedge funds may engage in short selling, which is subject to theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. **There can be no assurance that the security necessary to cover a short position will be available for purchase**. Purchasing securities to close out the short position can itself cause the prices of the securities to rise further, thereby exacerbating the loss;
- Hedge funds may enter into CDS as investments or hedges. CDS involve greater risks than investing in the reference obligation directly. **In addition For example, purchasing securities to general market risks, CDS are subject to risks related to changes in interest rates, credit spreads, credit quality and expected recovery rates close out short positions can itself cause the prices of the underlying credit instrument; securities to rise further, thereby exacerbating the loss;**
- Hedge funds are exposed to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the fund to suffer a loss. Counterparty risk is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the fund has concentrated its transactions with a single or small group of counterparties. Generally, hedge funds are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one **counterparty**. Moreover, **the fund's internal consideration of the creditworthiness of their counterparties may prove insufficient. The absence of a regulated market to facilitate settlement may increase the potential for losses; counterparty;**
- The efficacy of investment and trading strategies depends largely on the ability to establish and maintain an overall market position in a combination of financial instruments. A hedge **fund's fund's** trading orders may not be executed in a timely and efficient manner due to various **circumstances, including systems failures or human error; circumstances**. In such event, the funds might only be able to acquire some but not all of the components of the position, or if the overall position were to need adjustment, the funds might not be able to make such adjustment. As a result, the funds would not be able to achieve the market position selected by the management company or general partner of such funds, and might incur a loss in liquidating their position;
- Hedge funds may make investments that they do not advantageously dispose of prior to the date the applicable fund is dissolved, either by expiration of such **fund's fund's** term or otherwise. Although we generally expect that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, these funds may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution. This would result in a lower than expected return on the investments and, perhaps, on the fund itself;
- Hedge funds may rely on computer programs, internal infrastructure and services, quantitative models (both proprietary models and those supplied by third parties) and information and data provided by third parties to trade, clear and settle securities and other transactions, among other activities, **that which** are critical to the oversight of certain **funds' funds'** activities. If any such models, information or data prove to be incorrect or incomplete, any decisions made in reliance thereon could expose the funds to potential risks. Any hedging based on faulty models, information or data may prove to be unsuccessful and adversely impact a **fund's fund's** profits;

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- Hedge fund investments are also subject to risks relating to investments in commodities, futures, options and other derivatives, the prices of which are highly volatile and may be subject to the theoretically unlimited risk of loss in certain circumstances, including if the fund writes a call option. Price movements of commodities, futures and options contracts and payments pursuant to swap agreements are influenced by **among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments and national and international political many factors, including market and economic events conditions** and policies. The value of futures, options and swap agreements also depends upon the price of the commodities underlying them. In addition, hedge **funds' assets** are subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearinghouses or counterparties. **geopolitics**. Most U.S. commodities exchanges limit fluctuations in certain commodity interest prices during a single day by imposing **"daily "daily price fluctuation limits" limits"** or **"daily "daily limits."** the existence of which may reduce liquidity or effectively curtail trading in particular markets. Hedge funds and funds of these hedge funds may also be subject to extensive regulations, including those of CFTC; and



- The timing and receipt of incentive fees earned as part of our hedge fund partnerships are also highly dependent on the net asset value of these funds and their investment strategies, which could add to volatility in our quarterly results and cash flow. These third-party hedge fund managers offer a variety of investment strategies, including hedge fund-of-funds, equity hedge funds and credit hedge funds. As a result, flow, as we are indirectly exposed to the volatility and fluctuations in financial results of these hedge fund managers and could become exposed to lawsuits or other liabilities arising from their business and operations. For example, certain funds managed by the

Our investments in hedge fund managers have "high-water mark" provisions whereby may subject us to additional regulatory complexities or scrutiny if we are deemed to control the funds have experienced losses in prior periods, company for regulatory purposes, despite our minority interest. These asset managers may also be dependent on their founders and other key persons, and the fund managers will not be able to earn incentive fees with respect to a fund investor's account until the net asset value loss of the fund investor's account exceeds the highest period end value on which incentive fees were previously paid. these key personnel could adversely impact our investment.

To the extent the financial condition of Marshall Wace or one or more other of our third-party hedge fund managers with which we have hedge fund partnerships is adversely affected by these risks, our revenues, AUM and FPAUM may also decline.

financial results would be adversely effected.

#### Risks Related to Our Common Stock our Insurance Activities

Through our ownership of Global Atlantic, we operate an insurance business, which is subject to material risks and uncertainties that are different from, and incremental to, the risks relating to KKR's asset management business or KKR's management of Global Atlantic's investments.

**The Series I preferred stockholder's Global Atlantic acquisition may not achieve its intended benefits, and certain difficulties, costs or expenses may outweigh such intended benefits.**

The acquisition of Global Atlantic may still result in material difficulties and costs, both for KKR and for Global Atlantic, which may be exacerbated now that KKR owns 100% of Global Atlantic as of January 2, 2024. In addition, we may still be unable to realize all of the anticipated benefits of the Global Atlantic acquisition, including whether the Global Atlantic business will continue to operate and grow in the manner we anticipate. A significant voting power limits portion of the benefit of the acquisition is anticipated to come from KKR's role as investment adviser for Global Atlantic's insurance subsidiaries. Prior to KKR's acquisition of a majority stake in Global Atlantic in 2021, KKR had not managed the entirety of the investment assets of an insurance company or assets of insurance companies at this scale. With respect to Global Atlantic, such difficulties will continue to include complying with financial reporting and disclosure requirements as a subsidiary of a public company and the costs of remediating such difficulties. With respect to KKR, such difficulties include unknown potential liabilities from owning Global Atlantic, such as potential regulatory changes or claims from former investors in Global Atlantic.

In addition, Global Atlantic's historical growth rates may not be indicative of its future growth, Global Atlantic may not be able to identify attractive insurance markets, reinsurance opportunities or investments with returns that are as favorable as Global Atlantic's historical returns or grow new business volumes at historical levels, or Global Atlantic may not effectively manage its growth. To maintain or increase investment returns, it may be necessary to expand the scope of Global Atlantic's investing activities to asset classes in which Global Atlantic historically has not invested, which may increase the risk of Global Atlantic's investment portfolio. Growth opportunities may be in new or adjacent product offerings and in new jurisdictions where Global Atlantic historically has had less experience. Pursuing opportunities in these new areas may subject Global Atlantic to new and complex insurance regulations and business considerations. If Global Atlantic is unable to find or manage profitable growth opportunities, it will be more difficult for Global Atlantic to continue to grow and could materially affect Global Atlantic. In addition, if preferences for Global Atlantic's individual or institutional products change or Global Atlantic is unable to offer competitive pricing and attractive terms, Global Atlantic's revenues and results of operations may be materially and adversely impacted. Moreover, as an insurance company, Global Atlantic's ability to grow is dependent on the sufficiency of holders its capital base to support that growth. Global Atlantic may need to seek additional capital to manage its growth, and Global Atlantic may not be able to maintain its current strong capital position as it grows. As Global Atlantic grows, it must invest additional assets, which poses increased investment risk. Growth may also increase the risk of service problems, and Global Atlantic may need to expend additional resources to provide consistent service. Any service problems may cause reputational harm or increased scrutiny by regulators. Future growth will also impose added responsibilities on Global Atlantic's management and will introduce additional regulatory complexity.

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Many of the foregoing factors will be outside of our common stock control and any one of them could result in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy, which could adversely affect KKR.

**Volatile market and economic conditions, including sustained periods of low interest rates, a sustained increase in interest rates and other interest rate fluctuations, may adversely affect our insurance business.**

Global Atlantic's benefit liabilities are sensitive to influence changing market and economic conditions, in particular benefit liabilities related to Global Atlantic's fixed-indexed annuity and indexed universal life products and products with guaranteed minimum withdrawal or surrender or secondary guarantee features. In times of difficult market and economic conditions, Global Atlantic's policyholders may choose to defer paying insurance premiums, stop paying insurance premiums altogether or surrender their policies, or there could be an elevated rate of defaults within certain of Global Atlantic's investments. In addition, actual or perceived difficult conditions in the capital markets may discourage individuals from making investment decisions and purchasing Global Atlantic's products. Global Atlantic has from time to time experienced an elevated incidence of life insurance claims during periods of increased unemployment, which may adversely impact utilization of benefits relative to Global Atlantic's assumptions. The estimated cost of providing guaranteed minimum withdrawal and death benefits of certain insurance products requires Global Atlantic to make various assumptions about the overall performance of equity markets over the life of the product. Therefore, significant declines in equity markets could cause Global Atlantic to incur significant operating losses and capital increases due to, among other reasons, the impact of such decline on guarantees related to Global Atlantic's annuity products, including from increases in liabilities, increased capital requirements and/or collateral requirements associated with certain of Global Atlantic's agreements.

Interest rate risk in particular is a significant market risk for our insurance business, as fluctuations in market interest rates can expose Global Atlantic to the risk of reduced income in respect of its investment portfolio, increases in the cost of acquiring or maintaining its insurance liabilities, increases in the cost of hedging, or other fluctuations in Global Atlantic's financial, capital and operating profile which materially and adversely affect its business. This risk arises from Global Atlantic's holdings in interest rate-sensitive assets and liabilities, which include annuity products and long-duration life insurance policies, derivative contracts with payments linked to the level of interest rates or with market values which

fluctuate based on the level of interest rates, and the fixed income assets Global Atlantic owns in its investment portfolio. Interest rate risk also includes adverse changes in customer behavior that may occur as a result of changes in interest rates. Both rising and declining interest rates can negatively affect our insurance business.

**The Series I preferred stockholder has** Periods of rising or higher interest rates may result in differing impacts on Global Atlantic's business. We generally expect the yield on new investment purchases and income from any floating rate investments held in Global Atlantic's investment portfolio to increase as interest rates rise, and higher interest rates also generally tend to increase the demand for certain of Global Atlantic's products. However, higher interest rates may result in increased surrenders on interest-sensitive products, such as annuity contracts and certain life insurance policies, which may adversely affect Global Atlantic's earnings related to those products. This risk is present across most of Global Atlantic's insurance products, which can typically be surrendered for the cash value, less any applicable surrender charge, at any time. Higher policyholder surrenders may occur in response to rising interest rates as higher crediting rate investments might become available to policyholders in a higher rate environment. Global Atlantic may also need additional liquidity to pay insurance liabilities in excess of its assumptions due to market impacts on policyholder behavior. This increase in surrender outflows may create cash flow mismatches between cash received from Global Atlantic's investments versus cash needed to make policyholder liability payments as policyholders may surrender in higher numbers than expected. This mismatch could result in losses if assets must be liquidated at a loss to meet the increased policyholder obligations, which could result in potentially significant **voting power, which limits** realized losses and a corresponding reduction in net income. If Global Atlantic fails to adequately cash flow match liabilities sold with higher benefits and interest rates fall while Global Atlantic holds that liability, Global Atlantic may not generate its expected earnings on those liabilities.

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In addition, the **ability of holders majority** of our **common stock to influence our business. Our Co-Executive Chairmen, when acting together, jointly control** investments at Global Atlantic are in investment grade credit instruments. An increase in market interest rates could also have a material adverse effect on the Series I preferred stockholder and thereby the vote of the Series I preferred stock held by it. The vote of our Series I preferred stock will determine the outcome of all matters that are not listed below as being subject to a vote by our common stock.

Holders of our common stock are entitled to vote with respect to:

- Any amendment of our certificate of incorporation to change the par value of Global Atlantic's investment portfolio (as rising interest rates will decrease the fair value of Global Atlantic's credit investments and the value of embedded derivatives associated with funds withheld reinsurance transactions) at a time when Global Atlantic may be forced to liquidate investments. Sales of those investments at a loss, for example to raise cash to meet policyholder obligations upon surrender earlier than expected (as described above) or as Global Atlantic rotates out of investments acquired with new reinsurance transactions to our **common stock** desired asset mix during a period of rising or higher rates compared to when the **powers, preferences or special rights of** investment was acquired, is expected to decrease our **common stock** net income in a way that would affect our common stock adversely;
- A conversion of the legal entity form of KKR & Co. Inc.;
- A transfer, domestication or continuance of KKR & Co. Inc. to a foreign jurisdiction;
- A sale, exchange or disposition of all or period and such decrease could be significant. In addition, Global Atlantic expects that substantially all of **our assets**;
- A merger, consolidation its unrealized losses will not be realized as it intends to hold these investments until recovery of the losses, which may be at maturity, as part of its asset liability cash-flow matching strategy. However, if the market or **other business combination**;
- An increase in the number industry- or company-specific factors relating to these investments deteriorate meaningfully Global Atlantic may be required to recognize an impairment to goodwill and may realize losses as a result of **authorized shares** credit defaults or impairments on investments, either of **Series I preferred stock**; and
- Certain amendments to our certificate of incorporation that would which could have a material adverse effect on our **common stock relative** results of operations and financial condition. An increase in surrenders or withdrawals also may cause Global Atlantic to accelerate the amortization of deferred acquisition costs ("DAC") and value of business acquired ("VOBA"), resulting in a decline in net income. Global Atlantic's cost of insurance on new business is generally expected to be elevated, including higher hedging costs, during a higher rate environment, as benefits to policyholders on new business will generally be higher.

During periods of falling interest rates, Global Atlantic may also face cash flow mismatches between interest earned on its investment portfolio and policy liabilities that may be crediting higher rates. When rates decline more policyholders might hold onto their products than expected because those products seem more attractive. However, Global Atlantic's ability to lower crediting rates is subject to several constraints. For instance, minimum crediting rates are filed with and approved by state regulators, and certain products contain interest rate guarantee periods and other characteristics that restrict this ability, among other restrictions. In addition, competition and other factors, including the potential for increases in surrenders and withdrawals, may limit Global Atlantic's ability to adjust or maintain crediting rates at levels necessary to avoid decreases in earnings under certain conditions. Prolonged periods of low interest rates could challenge product development and product attractiveness and may also result in Global Atlantic earning lower margins on new business volumes than Global Atlantic has historically earned. Lower interest rates may reduce the demand for Global Atlantic's insurance products, leading to lower sales. In addition, lower interest rates may make the reinsurance solutions Global Atlantic is able to offer more expensive to potential clients, decreasing their interest in executing reinsurance transactions with Global Atlantic. In a period of declining interest rates, Global Atlantic's investment earnings may decline because new investments will likely bear lower interest rates, and Global Atlantic may not be able to fully offset the decline in investment earnings with lower liability costs on the products these investments support. In addition, the yield on Global Atlantic's floating rate assets will decline as interest rates decline, reducing Global Atlantic's investment income. During periods of declining interest rates, life insurance and annuity products also may be relatively more attractive to consumers due to minimum guarantees, resulting in a higher percentage of contracts remaining in force than originally estimated, causing greater claims costs and asset/liability cash flow mismatches. Conversely, management actions to reduce rates on inforce contracts in response to declining interest rates may result in greater surrenders than originally estimated, which may adversely affect Global Atlantic's earnings related to those products. While Global Atlantic seeks to cash-flow match its assets to its policy liabilities, greater market volatility and uncertainty has made matching more difficult. To the extent that Global Atlantic does not or is unsuccessful in cash-flow matching, our insurance business will face the risk of having to reinvest in lower-yielding assets, reducing investment income. Moreover, certain of Global Atlantic's life insurance policies have a longer duration than available investment assets, and, in a declining rate environment, as assets backing these policies mature, the proceeds may have to be reinvested in lower-yielding assets, reducing investment income.

In addition, calculations of required insurance capital may move with interest rate movements and result in greater capital needs during economic downturns. The value of Global Atlantic's assets and liabilities are inputs in the calculation of required capital, and the valuation of both assets and liabilities are sensitive to changes in interest rates.

The difference between shorter-term and longer-term rates (also known as the yield curve) may also impact our insurance business. Global Atlantic's investments are typically in longer-duration assets. Accordingly, the crediting rates offered on Global Atlantic's products typically appear more appealing when the yield curve is steeper, and Global Atlantic is better able to differentiate its products from shorter-term alternatives. As such, a flatter yield curve could present challenges to sales in the individual markets line of our insurance business.

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### ***We may be required to accelerate the amortization of deferred revenues and expenses, including DAC and VOBA.***

Our insurance business incurs significant costs in connection with acquiring new and renewal insurance business. DAC consists of commissions and other costs that are directly related to the other classes successful acquisition of our stock.

Furthermore, holders new or renewal insurance contracts. Deferrable sales inducements ("DSI") are generated by annuities that offer enhanced crediting rates or bonus payments to policyholders. VOBA represents the difference between the carrying value of our common stock have the right purchased in-force insurance contract liabilities at the time of the business combination and the estimated fair value of insurance and reinsurance contracts. Global Atlantic establishes an unearned revenue reserve ("URR") liability for revenues from certain universal life insurance products that are deferred to vote on the adoption of a new equity compensation plan, any material amendment to an existing equity compensation plan, future periods and an issuance of common stock if, based on the number of shares or the voting power outstanding before such issuance, more than 1% of our common stock is issued to our affiliates and other related parties or more than 20% of our common stock is issued unearned front-end load ("UFEL") for gross premium in any transaction, subject to certain limited exemptions.

Our amended and restated certificate of incorporation and amended and restated bylaws contain additional provisions affecting the holders of our common stock, including limitations on the calling of meetings excess of the stockholders benefit reserve plus additional insurance liability for certain preneed contracts. For limited pay contracts, a deferred revenue liability ("DRL") that represents the gross premium less the net premium is established. Each of DAC, VOBA, URR, UFEL and procedures DRL requires significant estimates to establish and amortize. In conjunction with the Global Atlantic acquisition, purchase accounting required Global Atlantic to write-down intangibles, including DAC and VOBA, and then reestablish the new VOBA at the fair value for submitting proposals for business to be considered at meetings Global Atlantic. These purchase accounting adjustments will impact Global Atlantic's emergence of earnings in the future.

Global Atlantic periodically revises the key assumptions used in the calculation of the stockholders. In addition, any person that beneficially acquires 20% or more amortization of any class of stock then outstanding without the consent of our board of directors (other than the Series I preferred stockholder) is unable to vote such stock on any matter submitted to such stockholders.

For a more detailed description of our common stock DAC, VOBA, URR, UFEL and Series I preferred stock, see "Description of Securities Registered Pursuant to Section 12 DSI as part of the Securities Exchange Act assumption review process. To the extent policy or contract terminations exceed projected levels, then the amortization of 1934," which is filed as an exhibit to this report.

By no later than December 31, 2026, we agreed deferred revenues and expenses will be accelerated in the Reorganization Agreement period of the change and will result in a charge to (i) eliminate our Series I preferred stock income, which could have a material adverse effect on Global Atlantic's profitability.

***Differences between Global Atlantic's policyholder behavior estimates, reserve assumptions and (ii) establish voting rights for our common stock on a one vote per share basis for all matters subject to a common stockholders' vote under Delaware corporate law, including actual claims experience, in particular with respect to the election timing and magnitude of directors, claims and surrenders, may adversely affect KKR.***

Global Atlantic holds reserves to pay future policy benefits and claims. Global Atlantic's reserves are estimated based on data and models that include many assumptions and projections, which are inherently uncertain and involve significant judgment, including assumptions as to the levels and/or timing of receipt or payment of premiums, benefits, claims, expenses, interest credits, investment results (including equity and other market returns), mortality, morbidity, longevity and persistency.

While Global Atlantic periodically reviews the adequacy of its reserves and the assumptions underlying those reserves. We cannot determine with precision the amounts that Global Atlantic will pay for, or the timing of payment of, actual benefits, claims and expenses or whether the assets supporting policy liabilities, together with future premiums, will grow to the level assumed prior to the payment of benefits or claims. For Global Atlantic's directly issued fixed-rate annuities, reserves are equal to policyholder account balances before applicable surrender charges, and lapse, surrender rates and persistency assumptions are important assumptions used in calculating these reserves and drivers of profitability with respect to these products. Advances in technology, including predictive medical technology that enables consumers to select products better matched to their individual longevity or mortality risk profile and other medical breakthroughs that extend lives, could cause Global Atlantic's future experience to deviate significantly from actuarial assumptions, which could adversely impact the level of reserves and profitability. The resulting acceleration of expense amortization, reduced spread or increased payments could have a material adverse effect on our insurance business.

If actual experience differs significantly from assumptions or estimates, certain balances included in Global Atlantic's balance sheet may not be adequate, particularly DAC, VOBA, policy reserves and other actuarial balances. If Global Atlantic concludes that its reserves, together with future premiums, are insufficient to cover future policy benefits and claims, Global Atlantic would be required to increase its reserves and incur income statement charges for the period in which it makes the determination, which could have a material adverse effect on our insurance business. The increase in the statutory reserves of our insurance subsidiaries may negatively affect liquidity and capitalization.

Changes in regulations relating to reserves, such as implementation of principle-based reserving, may cause fluctuations to the amount of statutory reserves held and could adversely impact our insurance business. The NAIC is developing a new principle-based approach for fixed annuities that, if implemented, could result in higher statutory reserves and may cause greater fluctuations in the amount of statutory reserves held. There can be no guarantee as to whether these changes will be implemented or their impact on Global Atlantic.

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**Estimates used in the preparation of financial statements and models for insurance products may differ materially from actual experience as these determinations involve a significant degree of judgment.**

GAAP requires the application of accounting guidance and policies that often involve a significant degree of judgment when accounting for insurance products. These estimates include, but are not limited to, premium persistency, future policy benefits and related expenses, valuation of embedded derivatives, valuation and impairment of investments and amortization of deferred revenues and expenses. These accounting estimates require the use of assumptions, some of which are highly uncertain at the time of estimation. These estimates are based on judgment, current facts and circumstances and, when applicable, internally developed models. Therefore, actual results could differ from these estimates, possibly in the near term. Inaccuracies could result in, among other things, an increase in policyholder benefit reserves or acceleration of the amortization of deferred revenues and expenses, such as DAC and VOBA, which would result in a charge to earnings, a restatement of Global Atlantic's historical financial statements or other material adjustments. Additionally, the potential for unforeseen developments, including changes in laws, regulations or accounting standards, may result in losses and loss expenses materially different from the reserves initially established.

In addition, Global Atlantic employs models to price products, calculate reserves, value assets and generate projections used to estimate future pre-tax income, as well as to evaluate risk, determine internal capital requirements and perform stress testing, among other uses. These models rely on estimates and projections that are inherently uncertain, may use incomplete, outdated or incorrect data or assumptions and may not operate properly. As Global Atlantic's businesses continue to expand and evolve, the number and complexity of models it employs has grown, increasing exposure to error in the design, implementation or use of models, including the associated data input, controls and assumptions, and the controls in place to mitigate their risk may not be effective in all cases. Limitations or errors in the design, implementation or use of these models may be material and could lead Global Atlantic to make wrong or suboptimal decisions in aspects of its business, which could have a material adverse effect on our insurance business.

**Global Atlantic's growth strategy includes reinsurance of insurance obligations written by unaffiliated insurance companies, and its ability to both consummate and realize the anticipated financial benefits from reinsurance transactions is uncertain.**

Global Atlantic has grown and intends to continue growing its business through block reinsurance transactions, flow reinsurance, pension risk transfer reinsurance and the issuance of funding agreements. Global Atlantic routinely reviews potential reinsurance transactions, some of which may be material. To the extent Global Atlantic is unable to consummate suitable reinsurance transaction opportunities on acceptable terms, its future growth may be negatively impacted. Even if Global Atlantic does find suitable opportunities on commercially acceptable terms, Global Atlantic may not be able to consummate these transactions because of the regulatory approvals required or other considerations. There is no assurance Global Atlantic will continue to be successful in these institutional markets.

Competition, in particular with respect to transaction pricing, makes it more information about difficult to identify transactions with terms that are commercially acceptable based on Global Atlantic's objectives and analyses. Moreover, the NAIC is considering, and certain states have enacted, insurance business transfer laws that permit insurers to transfer blocks of business to other insurers by operation of law. Such transfers could become a viable alternative structure to block reinsurance transactions contemplated by and consequently may materially and adversely impact Global Atlantic's ability to identify and enter into new block reinsurance transactions.

If Global Atlantic enters into a reinsurance transaction, there can be no assurance that the Reorganization Agreement, see "Certain Relationships" transaction will achieve the results expected at the time the transaction is executed. Certain Global Atlantic reinsurance transactions include cessions to third-party reinsurers, exposing Global Atlantic to counterparty risk that may be concentrated. In the event these counterparties become financially distressed, Global Atlantic may recapture liabilities it intended to reinsure off its balance sheet and Related Transactions, may require additional capital to back these liabilities. In addition, Global Atlantic assumes servicing for policyholders and Director Independence—Reorganization Agreement." if servicing disruptions arise, Global Atlantic may experience customer complaints, regulatory intervention, or other adverse impacts.

With respect to potential future reinsurance transactions, there can be no assurance that opportunities will persist, and even if opportunities do persist, there can be no assurance that Global Atlantic will have sufficient capital available, or to the extent it does have sufficient capital, that such capital will be available in the necessary entities, to continue growing this part of Global Atlantic's business.

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Global Atlantic sponsors co-investment vehicles ("Co-Invest Vehicles"), including the Ivy Entities, which have capital committed to invest alongside Global Atlantic in certain block reinsurance, pension risk transfer and other reinsurance transactions that Global Atlantic enters into during their investment period. Global Atlantic does not control the Co-Invest Vehicles, and Global Atlantic is subject to the risk that the Co-Invest Vehicles fail or refuse to fund their portion of a particular transaction, in which case Global Atlantic would have contractual remedies against the defaulting Co-Invest Vehicles, but not directly against their shareholders or lenders. Global Atlantic is also subject to the risk that a Co-Invest Vehicle fails to meet its obligations under any funds withheld reinsurance arrangements with Global Atlantic.

As a "controlled company," we qualify for some exemptions result of any of the foregoing risks, Global Atlantic may realize materially less than the anticipated financial benefits from reinsurance transactions, or Global Atlantic's reinsurance transactions may be unprofitable or result in losses.

**Global Atlantic's actual or perceived financial strength impacts its ability to sell its products, and a downgrade in Global Atlantic's ratings or in the corporate governance ratings of its insurance subsidiaries could materially and adversely affect Global Atlantic's ability to compete, raise equity or issue debt.**

Financial strength ratings are published by various nationally recognized statistical rating organizations ("NRSROs") and similar entities not formally recognized as NRSROs. Rating organizations periodically review the financial performance, capital adequacy and condition of insurers, including Global Atlantic's insurance and reinsurance subsidiaries. Rating agencies also consider general economic conditions and other requirements of circumstances outside the NYSE, rated company's control in assigning a rating. The various rating agencies periodically review and may modify their standards, established guidelines and capital models from time to time. There can be no assurance that Global Atlantic's ratings will not be negatively impacted by any such changes.

Because KKR Management holds our Series I preferred stock, we If Global Atlantic's capital levels are a "controlled company" within the meaning of the corporate governance standards of the NYSE. As a "controlled company" we have elected not to comply with certain corporate governance requirements of the NYSE, including the requirements: (i) that the listed company have a nominating and corporate governance committee that is composed entirely of independent directors, (ii) that the listed company have a compensation committee that is composed entirely of independent directors and (iii) that the compensation committee deemed insufficient, Global Atlantic could be required to consider reduce its

risk profile in order to maintain its current ratings, by, for example, reinsuring and/or retroceding some of Global Atlantic's business, materially altering its business and sales plans or by raising additional capital. Any such action could have a material adverse effect on our insurance business.

Downgrades in Global Atlantic's credit ratings or changes to its rating outlook, or downgrades or changes in outlook to the financial strength ratings of Global Atlantic's insurance subsidiaries, could have a material adverse effect on our insurance business in many ways, including limiting access to distributors, restricting Global Atlantic's ability to generate sales, decreasing profitability, increasing policy lapse activity, limiting access to capital markets and potentially increasing the cost of debt, which could adversely affect liquidity. For example, Global Atlantic believes that a downgrade in the A.M. Best rating of our U.S. insurance subsidiaries could materially impact their sales and access to new distribution relationships. The ability of our subsidiaries to engage in reinsurance transactions—and to do so absent substantial obligations to collateralize performance of their respective obligations—may depend in part on their financial condition and is influenced by their ratings. If an independent rating agency downgrades or withdraws any of Global Atlantic's ratings, Global Atlantic could be limited in, or prevented from, writing any new insurance and reinsurance contracts; some existing contracts may be terminated or may require Global Atlantic to enhance certain independence factors when engaging compensation consultants, legal counsel credit terms; the pricing terms Global Atlantic can obtain may be adversely affected; and Global Atlantic's borrowing costs or ability to access the capital markets could be materially and adversely impacted. Downgrades in credit or financial strength ratings may increase the regulatory scrutiny to which Global Atlantic and its insurance subsidiaries are subjected. In addition, failure by Global Atlantic to maintain minimum RBC ratio requirements in certain contracts could permit the counterparty to terminate the contract, recapture business or require posting of additional collateral. There is no guarantee that Global Atlantic will be able to maintain its ratings in the future, and we cannot provide any assurances that actions taken by ratings agencies would not result in a material adverse effect on our insurance business.

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#### **Global Atlantic faces risks associated with business it reinsures and business it cedes to reinsurers, which could cause a material adverse effect on our insurance business.**

As part of Global Atlantic's overall risk management strategy, it cedes business to other insurance companies through reinsurance. Global Atlantic's inability to collect from its reinsurers (including reinsurance clients in transactions where Global Atlantic reinsures business net of ceded reinsurance) on its reinsurance claims could have a material adverse effect on our insurance business. Although reinsurers are liable to Global Atlantic to the extent of the reinsurance coverage it acquires, Global Atlantic remains primarily liable as the direct insurer on all risks that it writes; therefore, Global Atlantic's reinsurance agreements do not eliminate its obligation to pay claims. As a result, Global Atlantic is subject to the risk that it may not recover amounts due from reinsurers. The risk could arise primarily in two situations: (1) Global Atlantic's reinsurers may dispute some of its reinsurance claims based on contract terms, and, as a result, Global Atlantic may receive partial or no payment or (2) Global Atlantic's reinsurers may default on their obligations. While Global Atlantic may manage these risks through transaction-related diligence, contract terms, collateral requirements, hedging, and other committee advisers. Accordingly, holders oversight mechanisms, Global Atlantic's efforts may not be successful. A reinsurer's insolvency, or its inability or unwillingness to make payments due to Global Atlantic under the terms of the relevant reinsurance agreements, could have a material adverse effect on our insurance business.

Global Atlantic also bears the risk that the companies that reinsure its mortality risk on a yearly renewable term, where the reinsurer may reset the premium and other terms each year, increase the premiums they charge to levels Global Atlantic deems unacceptable. If that occurs, Global Atlantic will either need to pay such increased premiums, which will affect margins and financial results, or alternatively, Global Atlantic will need to limit or potentially terminate reinsurance, which will increase the risks that Global Atlantic retains.

Conversely, certain of our common stock insurance subsidiaries assume liabilities from other insurance companies. Changes in the ratings, creditworthiness or market perception of such ceding companies or in the administration of policies reinsured to Global Atlantic could cause policyholders of contracts reinsured to Global Atlantic to surrender or lapse their policies in unexpected amounts. In addition, to the extent such ceding companies do not perform their obligations under the relevant reinsurance agreements, Global Atlantic may not achieve the results intended and could suffer unexpected losses. Certain reinsurance transactions require additional operational support, administration, regulatory filings and compliance with jurisdiction-specific laws and regulations, subjecting Global Atlantic to additional scrutiny and risks. These risks could materially and adversely affect our insurance business.

#### **Changes in accounting standards could adversely impact our insurance business.**

Global Atlantic's financial statements are subject to the application of GAAP, which is periodically revised, reinterpreted and/or expanded. Accordingly, from time-to-time Global Atlantic is required to adopt new guidance or interpretations, or could be subject to existing guidance as Global Atlantic enters into new transactions or business lines, which may have a material effect on Global Atlantic that is either unexpected or has a greater impact than expected. Upon the February 2021 closing of the acquisition of Global Atlantic by KKR, Global Atlantic established a new accounting basis for purchase accounting, under which all identifiable assets acquired, and liabilities assumed were measured and recorded at fair value as of the date of the closing. In addition, certain accounting standards applicable to public entities became applicable to Global Atlantic.

We adopted, effective January 1, 2023 with a transition date of January 1, 2021, new accounting guidance issued by the FASB for insurance companies that issue or reinsure long-duration contracts such as life insurance and annuities. Going forward, Global Atlantic believes that the new standard will increase volatility in its consolidated financial statements, in particular due to the requirement to remeasure certain policy liabilities each quarter, either at fair value or using current market discount rates, with changes recorded in either net income or other comprehensive income. In addition, the new guidance had a significant impact on Global Atlantic's systems, processes and controls.

In June 2016, FASB issued new guidance on the measurement of credit losses on financial instruments, including reinsurance recoverables, under GAAP. This guidance replaced the incurred loss impairment methodology with a requirement to reflect current expected credit losses in amortized cost instead of recognizing losses as incurred. Following the February 2021 closing of the Global Atlantic acquisition, this standard became applicable to Global Atlantic and required increases in expected credit losses on financial instruments measured at amortized cost, including loan receivables and reinsurance recoverables, which are recognized as a charge to earnings.

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The GAAP changes for long-duration contracts, the measurement of credit losses on financial instruments, application of purchase accounting in connection with the February 2021 closing of the Global Atlantic acquisition or other GAAP changes in accounting standards could affect the way Global Atlantic accounts for and reports significant areas of its business, could impose special demands on Global Atlantic in the areas of governance, employee training, internal controls and disclosure, and will likely affect how Global Atlantic manages its business. As a result, the required adoption of future accounting standards could have a material adverse impact on our insurance business.



The NAIC has approved Statutory Accounting Principles ("SAP") for U.S. insurance companies that have been implemented by the domiciliary states of Global Atlantic's U.S. insurance subsidiaries. The NAIC from time to time considers amendments to the Statutory Accounting Principles and is currently considering various amendments to the Statutory Accounting Principles that impact investment transactions, including, for example, definitions of affiliated and related party transactions and capital charge determinations for loan-backed and structured securities. In addition, the NAIC has expressed concerns and is considering changes related to filing exempt status for certain securities or loans, which generally allows the use of an NRSRO rating for purposes of capital assessment as opposed to requiring review by the Securities Valuation Office. The NAIC adopted, and is considering additional, changes to the NAIC ratings assigned to privately rated securities. These changes and future changes raise uncertainty with respect to the NAIC ratings of, and consequently capital required to be held for, certain investments.

In addition, the NAIC Accounting Practices and Procedures Manual, or the "Accounting Manual," provides that state insurance departments may permit insurance companies domiciled therein to depart from the Statutory Accounting Principles by granting them permitted accounting practices. Global Atlantic makes use of permitted practices today and may seek approval to use additional permitted practices in the future. Permitted practices do not preempt legislative or regulatory changes to the Statutory Accounting Principles. Accordingly, there is a risk that Global Atlantic may not be able to continue to use a previously granted permitted practice. In addition, we cannot predict whether or when the insurance departments of the states of domicile of its competitors may permit Global Atlantic's competitors to utilize advantageous accounting practices that depart from the Statutory Accounting Principles, the use of which is not permitted by the insurance departments of the states of domicile of Global Atlantic's U.S. insurance subsidiaries. Any change in the Statutory Accounting Principles or permitted practices could have a material adverse impact on the capital Global Atlantic is required to hold in its business and consequently on its profitability and ability to grow.

Our Bermuda insurance subsidiaries are licensed to conduct insurance business by the BMA. In 2016, the BMA made significant changes to Bermuda's regulatory and supervisory regimes, to achieve equivalence with the EU's Directive 2009/138EC, as amended (Solvency II). On March 24, 2016, and (retroactively) effective as of January 1, 2016, a number of changes were instituted for commercial insurers and insurance groups to enhance statutory and prudential reporting requirements. In that regard, the BMA implemented the Economic Balance Sheet ("EBS") framework ("EBS Framework"), which is now used as the basis to determine an insurer's enhanced capital requirement. Bermuda-licensed commercial insurers are required to prepare prescribed statutory financial statements. Global Atlantic's Bermuda insurance subsidiaries' financial statements prepared in accordance with GAAP act as the basis on which statutory financial statements are prepared, subject to application of certain prudential filters. These statutory financial statements, in turn, form the starting basis for the preparation of the EBS. The statutory financial statements also form the basis for assessing each Bermuda insurance subsidiary's ordinary dividend capacity, Minimum Margin of Solvency and class of registration as an insurer in Bermuda. The EBS Framework and statutory financial statements are embedded in the BMA's legislative and regulatory regime. The European Insurance and Occupational Pensions Authority conducted a review of Solvency II in 2020 and noted that a number of amendments to Solvency II are required to ensure that the regulatory framework continues as a well-functioning risk-based regime. In 2023, the BMA issued a series of consultation papers exploring updates to its framework, including updated requirements for reserves, capital and governance. The BMA is in the process of implementing these requirements and could propose further updates to certain aspects of the EBS Framework. If any such updates materially increase the ECR, it could materially increase the amount of capital Global Atlantic is required to hold to meet its BSCR and BMA requirements.

Changes to GAAP, SAP, the Bermuda EBS Framework or capital models may be complex, require significant resources to implement and have an impact on our controls, which may be significant. Failure to implement or take appropriate or effective management actions in response to such changes may have a material adverse impact on our insurance business. Global Atlantic can give no assurances that the impacts of current, proposed or future changes to GAAP, SAP, Bermuda EBS Framework, capital models or any components or interpretation thereof, the grant of permitted accounting practices to Global Atlantic's competitors or future changes to legal, accounting, capital or financial regimes will not have a negative impact or material adverse effect on our insurance business.

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#### ***Global Atlantic may experience volatility in its net income under GAAP due to its funds withheld and modified coinsurance transactions.***

Global Atlantic assumes certain policy risks written by other insurance companies via reinsurance that may be on a funds withheld or modified coinsurance basis. Funds withheld coinsurance and modified coinsurance differ from coinsurance and certain other forms of reinsurance in that the assets equal to the net statutory reserves are withheld and legally owned by the ceding company, while the related investment risk is transferred to the reinsurer. Global Atlantic is subject to the investment performance but does not directly control the investments. Under GAAP accounting these funds withheld and modified coinsurance contracts create embedded derivatives for both the ceding company and the reinsuring company, and each embedded derivative must be measured at fair value. The valuation of these embedded derivatives is sensitive to the market environment, including credit spreads of the assets held by the ceding insurer, and can generate significant volatility in net income depending on market conditions. Changes in the fair value of embedded derivatives are recorded in investment related gains/losses on the consolidated statements of operation.

#### ***Global Atlantic holds a significant portion of its reinsurance assets in trust, which may restrict Global Atlantic's ability to invest those assets and also may permit the ceding company to withdraw those assets from the trust in certain circumstances.***

In certain reinsurance transactions where Global Atlantic is the reinsurer, it must provide collateral to the ceding company. State regulation and the ability of Global Atlantic insurance subsidiaries to obtain or maintain regulatory designation as a certified or reciprocal jurisdiction reinsurer impact the amount of collateral Global Atlantic must provide. A significant portion of the collateral that Global Atlantic provides to its reinsurance clients is provided in the form of assets held in a trust for the benefit of the counterparty. Global Atlantic's obligation to hold assets in trust restricts its ability to use such assets to support liquidity for other business purposes. Global Atlantic's investment of assets held in trust is restricted based on the terms of the trust agreement and associated investment guidelines. As such, Global Atlantic may not have flexibility to invest such assets as it otherwise might, and Global Atlantic's investment returns on such assets may therefore be less than if they were not held in trust. In addition, in certain circumstances the ceding company may be allowed to withdraw assets from the trust if Global Atlantic fails to pay amounts due under the applicable reinsurance agreement.

#### ***Certain of Global Atlantic's reinsurance agreements contain triggers that permit the reinsurance client to recapture some or all of the reinsured portfolio, which, if triggered, may have a material adverse effect on Global Atlantic.***

Certain of Global Atlantic's reinsurance agreements contain triggers that, if breached, may result in the reinsured party having the right to recapture the reinsured business or terminate the reinsurance agreement. A recapture trigger permits the ceding company to reassume under certain circumstances all or a portion of the risk ceded to Global Atlantic. For reinsurance transactions in which the ceding company cedes all or a portion of the risk to Global Atlantic, Global Atlantic's reinsurance agreements typically include a recapture right that is triggered if, for example, Global Atlantic fails to maintain certain minimum levels of capitalization or certain minimum levels of reserves to support the business reinsured. These reinsurance agreements also typically include provisions that provide for termination of the agreement and recapture of the business upon the occurrence of insolvency,



rehabilitation, non-payment of amounts due, material breach of contract provisions or failure to provide the ceding company with the ability to take reserve credit. The economic, financial and liquidity impact from the loss of the recaptured business, in addition to Global Atlantic's economic hardships at the time of recapture, may have a material adverse effect on our insurance business.

**The determination of the amount of impairments and allowances for credit losses recognized on Global Atlantic's investments is highly subjective and could materially affect our insurance business.**

The determination of the amount of impairments and allowances for credit losses is based upon Global Atlantic's periodic evaluation and assessment of known and inherent risks associated with the respective asset class and the specific investment being reviewed. Such evaluations and assessments are revised as conditions change and new information becomes available. Management updates its evaluations regularly and reflects changes in allowances and impairments in its financial results as such evaluations are revised. Impairments result in a non-cash charge to earnings during the period in which the impairment charge is taken. Changes in allowances for credit losses can result in either a charge or credit to earnings.

For example, an allowance is recognized on Global Atlantic's fixed maturity securities when the fair value of the security is less than its amortized cost basis and credit related losses are deemed to have occurred. The determination of the allowance requires assessment of the security's expected future cash flows, which depend on a variety of macroeconomic factors and security-specific considerations. Similarly, the determination of the allowance on Global Atlantic's mortgage and other loan receivables requires an assessment of expected credit losses that considers current, historical and forecasted macroeconomic data and loan-specific factors. As expectations change based on macroeconomic data and individual investment considerations, the associated allowance for credit losses can be adjusted, up or down, and such change may be material.

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There can be no assurance that management has accurately determined the amount of impairments and allowances for credit losses recognized in Global Atlantic's financial statements and their potential impact on regulatory capital. Furthermore, additional impairments and allowance provisions may be taken in the future, which could have a material adverse effect on our insurance business.

**Global Atlantic's membership in Federal Home Loan Banks subjects Global Atlantic to potential liquidity and other risks.**

Our U.S. insurance subsidiaries are each members of one of the Federal Home Loan Banks of Des Moines, Indianapolis and Boston, which allows those companies to borrow against certain of their investments, such as commercial mortgage loans, eligible under the applicable Federal Home Loan Bank definition to be posted as collateral. If those sources of borrowing by those companies were to no longer be available to them, or if the Federal Home Loan Banks issue a capital call on the preferred shares owned by our insurance companies, the liquidity of such insurance subsidiaries could be materially and adversely affected. The Federal Housing Finance Authority is currently undertaking a review of the Federal Home Loan Banks and their membership. If the applicable insurance subsidiary's creditworthiness falls below the minimum required or if legislative or other political actions cause changes to the Federal Home Loan Bank mandate or to the eligibility of life insurance companies to be members of the Federal Home Loan Bank system, Global Atlantic may lose access to this funding and be required to find other sources to replace it.

**From time to time, Global Atlantic participates in repurchase and reverse repurchase transactions that subject Global Atlantic to liquidity risks.**

Global Atlantic currently has a committed repurchase facility and from time to time participates in repurchase transactions. Under these repurchase agreements, Global Atlantic sells fixed income securities to third-party counterparties, primarily major brokerage firms and commercial banks, with a concurrent agreement to repurchase those same **protections afforded** securities at a determined future date.

These repurchase agreements are required to **stockholders** be secured by collateral, which may negatively impact Global Atlantic's liquidity if Global Atlantic is required to post additional collateral (for example, due to a decline in the value of collateral already posted) or unable to extend an expiring repurchase agreement by entering into a new repurchase agreement.

In addition, Global Atlantic invests in securities the cash it receives from its repurchase counterparties. Those securities may decline in value during the term of the repurchase agreements. If Global Atlantic sells those securities at a loss, Global Atlantic may not have enough cash to fund the obligation that it has to its counterparties under the repurchase agreements. Under adverse capital market and economic conditions, liquidity may broadly deteriorate, further restricting Global Atlantic's ability to sell the securities and fund the obligation that it has to its counterparties.

Global Atlantic may also from time to time participate in reverse repurchase agreements whereby Global Atlantic purchases fixed income securities from third parties in exchange for cash, with a concurrent obligation by such third parties to repurchase those same securities from Global Atlantic at a determined future date. In the case of default by any such third party, Global Atlantic runs the risk that such third party may not repurchase the security when required. In the event of the bankruptcy or other default of such third party in a repurchase agreement, Global Atlantic could experience both delays in liquidating the underlying security and losses, including but not limited to (1) a possible decline in the value of the collateral received from Global Atlantic's counterparties during the period while Global Atlantic seeks to enforce its rights therein, (2) possible subnormal levels of income and lack of access to income during this period and (3) expenses of enforcing Global Atlantic's rights.

**Changes in relevant tax laws, regulations or treaties or an adverse interpretation of these items by tax authorities could adversely impact our insurance business.**

Unless the context otherwise requires, the term "Bermuda insurance subsidiaries" as used here refers to (1) Global Atlantic Assurance Limited and (2) Global Atlantic Re Limited with respect to any period ending prior to January 1, 2018, the effective date of the election made pursuant to Section 953(d) of the Code to treat Global Atlantic Re as a U.S. corporation for U.S. federal income tax purposes. "GAFL" refers to Global Atlantic Financial Limited, which, prior to January 2, 2024, was a Bermuda exempted company. Effective January 2, 2024, GAFL continued its corporate existence as a Delaware company and changed its name to Global Atlantic Limited (Delaware).

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The IRS could contend that Global Atlantic or our non-U.S. subsidiaries are or were engaged in trade or business within the United States and subject to U.S. federal income taxes. Certain Global Atlantic subsidiaries are non-U.S. companies that are **subject** treated as corporations for U.S. federal income tax purposes. The Bermuda insurance

subsidiaries and GAFL prior to 2024 have conducted, and the insurance subsidiaries intend to conduct, substantially all of their operations outside the corporate governance requirements of United States and to limit their U.S. contacts with the NYSE. Following intention that the elimination of our Series I preferred stock on Bermuda insurance subsidiaries not be treated as engaged in trade or before December 31, 2026 pursuant business within the United States. However, there is considerable uncertainty as to when a non-U.S. corporation is engaged in trade or business within the Reorganization Agreement, we United States, and there can be no assurance that the IRS will no longer be able to rely on not contend that the control of our company by Bermuda insurance subsidiaries are or were engaged in trade or business within the Series I preferred stockholder United States. If the Bermuda insurance subsidiaries were considered to be exempted from engaged in trade or business within the corporate governance requirements of the NYSE

following a transition period. For more information about the transactions contemplated by the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement."

**We are not required to comply with certain provisions of U.S. securities laws relating to proxy statements and other annual meeting materials.**

We are not required to file proxy statements or information statements under Section 14 of the Exchange Act, unless a vote of holders of our common stock is required. Accordingly, legal causes of action and remedies under Section 14 of the Exchange Act for inadequate or misleading information in proxy statements will not be generally available to holders of our common stock. In addition, we will generally not United States, such company could be subject to U.S. corporate income taxes and branch profits taxes on the "say-on-pay" portion of its earnings and "say-on-frequency" provisions profits that is or was effectively connected to such trade or business within the United States. If the IRS were to contend successfully our Bermuda insurance subsidiaries or any of our other current or future non-U.S. subsidiaries are or were engaged in trade or business within the United States, our insurance business could be materially and adversely affected.

There is U.S. federal income tax risk associated with reinsurance transactions, intercompany transactions and distributions between U.S. companies and their non-U.S. affiliates, including from the Base Erosion and Anti-Abuse Tax (the "BEAT") on certain U.S. companies that make deductible payments to related non-U.S. companies in taxable years beginning after December 31, 2017. While Global Atlantic has taken certain steps to mitigate the effect of the Dodd-Frank Act, BEAT, there can be no assurances that these steps will be successful. In addition, the Code permits the IRS to reallocate, recharacterize, or adjust items of income, deduction or certain other items related to a reinsurance agreement between related parties to reflect the proper "amount, source or character" for each item. Further, the tax treatment of certain aspects of reinsurance ceded to a non-U.S. reinsurer on a funds withheld coinsurance basis is uncertain. If the IRS were successfully to challenge Global Atlantic's intercompany reinsurance arrangements between its subsidiaries or Global Atlantic's tax treatment of funds withheld coinsurance with non-U.S. reinsurers (including the Bermuda insurance subsidiaries), our insurance business could be materially and adversely affected. There are significant cross-border transactions in place among Global Atlantic's affiliates, some of which Global Atlantic treats as loans or swaps for tax purposes, and Global Atlantic may expand the scope of its cross-border intercompany transactions in the future. There are also significant cross-border reinsurance transactions in place with non-U.S. third parties. If the IRS were to successfully challenge the tax treatment of these transactions, or if legislation were enacted, or administrative guidance promulgated, that altered the expected tax treatment of such transactions, our insurance business could be materially and adversely affected.

Changes in U.S. tax law could also affect the products that our insurance subsidiaries sell. Many of the products our insurance subsidiaries sell benefit from one or more forms of tax-favored status under current U.S. federal and state income tax regimes. For example, our insurance subsidiaries sell and reinsure annuity contracts that allow the policyholders to defer the recognition of taxable income earned within the contract. In addition, current U.S. federal income tax law permits the exclusion from taxation of death benefits paid under life insurance contracts. Changes in U.S. tax laws that alter the tax benefits or treatment of certain products could result in a material reduction in demand for our insurance subsidiaries' products and could affect policyholder behavior with respect to existing annuity products in ways that are difficult to predict, for example increasing the expected lapse rate or, if the treatment of existing contracts is grandfathered, reducing the rate at which existing contracts are surrendered or rolled over. In addition, changes in corporate tax rates and/or individual tax rates and/or the estate tax exclusion could impact the competitiveness of Global Atlantic's product pricing or demand for such products, which could affect our insurance subsidiaries' ability to attract or retain clients or could reduce the profitability of our insurance products and have a material adverse effect on our insurance business.

For periods prior to January 2, 2024, the IRS may successfully challenge GAFL's status as a non-U.S. corporation for U.S. federal income tax purposes. Under U.S. federal income tax law, a corporation is generally considered for U.S. federal income tax purposes to be a tax resident of the jurisdiction of its organization or incorporation. Because GAFL was a Bermuda-incorporated exempted entity prior to January 2, 2024, it would generally be classified as a non-U.S. corporation (and, therefore, a non-U.S. tax resident) under these rules for periods prior to 2024. However, Section 7874 of the Code ("Section 7874") provides an exception to this general rule under which a non-U.S. incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal income tax purposes.

However, the rules under Section 7874 are relatively complex and there is limited guidance regarding their application. There can be no assurance that the IRS will agree with the position that GAFL should not be treated as a U.S. corporation for U.S. federal income tax purposes for periods prior to 2024. If for such periods GAFL were to be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 or for any other reason, GAFL would be subject to substantial additional historic U.S. federal income tax liability, including taxation of all of Global Atlantic's Bermuda insurance subsidiaries' subpart F income and global intangible low-taxed income, as defined under Section 951A(b) of the Code, which could have a material adverse effect on our insurance business.

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On April 1, 2016, Global Atlantic completed a reorganization of GAFL (the "GAFL Reorganization"). As a result our stockholders will not have an opportunity of the GAFL Reorganization, Section 7874 limits the ability of Global Atlantic's U.S. holding company and its U.S. affiliates to provide utilize certain U.S. tax attributes (including net operating losses and certain tax credits) to offset, during the ten-year period following the GAFL Reorganization, their U.S. taxable income, or related income tax liability, resulting from certain (1) transfers to related foreign persons of stock or other properties of Global Atlantic's U.S. holding company and its U.S. affiliates, and (2) income received or accrued from related foreign persons during such period by reason of a non-binding vote license of any property by Global Atlantic's U.S. holding company and its U.S. affiliates.

The effect of Bermuda's commitment to the OECD to eliminate harmful tax practices is uncertain and could adversely affect Global Atlantic's tax status in Bermuda. The OECD has published reports and launched a global dialogue among member and non-member countries on measures to limit harmful tax competition. These measures are largely directed at counteracting the effects of income tax havens and preferential income tax regimes in countries around the world. According to the OECD, Bermuda is a jurisdiction that has

substantially implemented the internationally agreed tax standard and as such is listed on the compensation of our named executive officers. Moreover, holders of our common stock OECD "whitelist." However, we are not able to predict whether any future changes will be unable made to bring matters before this "whitelist" classification or whether any such changes will subject Global Atlantic and our annual meeting of stockholders or nominate directors at such meeting, nor can they generally submit stockholder proposals under Rule 14a-8 of the Exchange Act. Following the elimination of our Series I preferred stock on or before December 31, 2026 pursuant Bermuda-domiciled subsidiaries to the Reorganization Agreement, we expect to be required to comply with the foregoing provisions of the U.S. securities laws. For more information about the transactions contemplated by the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement."

***Our certificate of incorporation states that the Series I preferred stockholder is under no obligation to consider the separate interests of the other stockholders and contains provisions limiting the liability of the Series I preferred stockholder.***

Subject to applicable law, our certificate of incorporation contains provisions limiting the duties owed by the Series I preferred stockholder and contains provisions allowing the Series I preferred stockholder to favor its own interests and the interests of its controlling persons over us and the holders of our common stock. Our certificate of incorporation contains provisions stating that the Series I preferred stockholder is under no obligation to consider the separate interests of the other stockholders (including the tax consequences to such stockholders) in deciding whether or not to authorize us to take (or decline to authorize us to take) any action as well as provisions stating that the Series I preferred stockholder shall not be liable to the other stockholders for damages or equitable relief for any losses, liabilities or benefits not derived by such stockholders in connection with such decisions, additional taxes. See "—Risks Related to Our Organizational Structure—Potential conflicts Business—Changes in relevant tax laws, regulations or treaties or an adverse interpretation of interest these items by tax authorities could adversely impact our effective tax rate and tax liability" for discussions of the OECD's BEPS project.

Bermuda enacted legislation in December 2023 implementing a corporate tax aimed at multinational enterprises with revenues generally exceeding €750 million. The Bermuda corporate income tax ("CIT") is a flat minimum tax based upon 15% of reported financial profits. The CIT comes into effect for tax years beginning in 2025, however implementation may arise among be delayed for certain groups for up to five years. The legislation provides for various offsets and credits. It is not presently expected that the Series I preferred stockholder Bermuda CIT will have a significant impact upon Global Atlantic's financial performance. However, there is uncertainty regarding the implementation of the CIT and its application to insurance companies, and the holders impact of the CIT on Global Atlantic and Bermuda-based businesses of its sponsored vehicles will continue to be assessed.

See Note 18 "Income Taxes" in our financial statements for further information regarding various tax matters.

***Global Atlantic's businesses are heavily regulated across numerous jurisdictions, including with respect to capital requirements, and changes in regulation could reduce the profitability of our common stock." insurance business.***

Our insurance and reinsurance subsidiaries are highly regulated by, among others, insurance regulators in the United States and Bermuda, and changes in regulations affecting our insurance business may reduce Global Atlantic's profitability and limit its growth. The laws and regulations of the jurisdictions in which our insurance and reinsurance subsidiaries are domiciled or may be deemed commercially domiciled may require these companies to, among other things, maintain minimum levels of statutory capital, surplus and liquidity, meet solvency standards, submit to periodic examinations of their financial condition, restrict payments of dividends and distributions of capital, restrict our ability, in certain cases, to write insurance and reinsurance policies, make certain types of investments and distribute funds, and restrict the type and concentration of investments that can be made. For example, due to regulatory restrictions on the payment of dividends, our U.S. insurance subsidiaries may not declare a dividend in 2024 to their holding companies without prior domiciliary state regulatory approval. Offering new products or offering products in additional jurisdictions will also subject Global Atlantic to additional regulation and compliance requirements. With respect to investments, our insurance and reinsurance subsidiaries must comply with applicable regulations regarding the type and concentration of investments it may make. These restrictions are set forth in investment guidelines that KKR's investment management subsidiary must comply with when providing investment management to our insurance companies. These restrictions may limit Global Atlantic's ability to invest and KKR's ability to earn fees on those investments. In addition, our insurance and reinsurance subsidiaries are subject to laws and regulations governing affiliate transactions. The investment management agreements between the KKR investment manager and our insurance subsidiaries were approved by applicable insurance regulators, and any changes of such agreements, including with respect to fees, must receive applicable regulatory approval. These affiliate transaction rules are particularly important to Global Atlantic given (1) its relationship with KKR and (2) the fact that its business strategy involves reinsuring business among its subsidiaries.

If our relationships, or our reputation with, various regulatory authorities were to deteriorate, our insurance business could be materially and adversely affected, including by making it more difficult, or impossible, for Global Atlantic to obtain necessary consents and approvals.

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In addition to the regulations of the jurisdictions where our insurance subsidiaries are domiciled, Global Atlantic also must obtain licenses to sell insurance in other states and U.S. jurisdictions. Our non-U.S. insurance subsidiaries have and may obtain certified reinsurer and reciprocal jurisdiction reinsurer status in various U.S. states. Most state regulatory authorities are granted broad discretion in connection with their decisions to grant, renew or revoke licenses and approvals that are subject to state statutes. If Global Atlantic is unable to renew the requisite licenses and obtain the necessary approvals or otherwise does not comply with applicable regulatory requirements, the insurance regulatory authorities could stop, or temporarily suspend Global Atlantic from conducting some or all of its operations as well as impose fines.

All 50 U.S. states, the District of Columbia and the U.S. Virgin Islands have insurance guaranty association laws that require insurance companies doing business within those jurisdictions to participate in various types of guaranty associations or other similar arrangements. It is possible that a large insolvency could require extraordinary assessments on our insurance subsidiaries. We cannot predict the amount, nature or timing of any future assessments or legislation, any of which could have a material adverse impact on our insurance business.

At the United States federal level, the Dodd-Frank Act established the Federal Insurance Office ("FIO") within the U.S. Department of the Treasury to monitor the insurance industry. FIO publications or reports, some of which are periodically submitted to Congress, could continue to increase scrutiny of the industry and ultimately lead to changes in the regulation of insurers and reinsurers in the United States, which could negatively impact our insurance business.

All U.S. states allow reinsurers from approved non-U.S. jurisdictions, including for example Bermuda, to apply for reciprocal reinsurer status. A reinsurer with reciprocal reinsurer status is not required to post collateral to a U.S.-based ceding insurer for that ceding insurer to obtain credit in its statutory financial statements for that reinsurance. We cannot predict the impact of the removal of collateral requirements for reciprocal jurisdiction reinsurers in certain states may have on our insurance business, including its competitiveness in reinsurance transactions.

Insurance regulators have increased their scrutiny of the insurance regulatory framework in the United States, and some state legislatures have considered or enacted laws that alter, and in many cases increase, state authority to regulate insurance holding companies and insurance and reinsurance companies. The NAIC and state insurance regulators are increasingly focused on the relationships between alternative asset managers and insurers. This focus significantly increases scrutiny of insurance companies strategically partnered with alternative asset managers and the potential for additional regulation. We are unable to predict whether, when or in what form and what impact such regulatory changes will have on our insurance business, including after our acquisition of the remaining equity interest in Global Atlantic in January 2024. Insurance regulations also include restrictions on investments, including limits, regulatory approvals of affiliate investments, permissible asset classes, capital required and with respect to what assets or portion of assets may back reserves. These regulations may materially and adversely impact Global Atlantic's returns and capital requirements.

Historically, Bermuda has faced criticism for its tax and regulatory rules and such views may persist. In addition, capital regulations applicable to our insurance subsidiaries may impose meaningful limitations on our insurance business. Insurance companies are subject to minimum capital and surplus requirements that vary by the jurisdiction where the insurance company is domiciled and are generally subject to change over time. In the United States, our insurance subsidiaries are subject to RBC standards and other minimum capital and surplus requirements imposed by state laws. The RBC standards are based upon the Risk-Based Capital for Insurers Model Act, promulgated by the NAIC, as adopted by Global Atlantic's domiciliary insurance regulators. Global Atlantic's Bermuda insurance subsidiaries are subject to Bermuda Solvency Capital Requirements ("BSCR") standards and other minimum capital and surplus requirements imposed by the BMA. Any failure to meet applicable requirements or minimum statutory capital requirements could subject Global Atlantic to examination or corrective action by regulators, including limitations on Global Atlantic's writing additional business or engaging in finance activities, supervision, receivership or liquidation. New statutory accounting guidance or changes or clarifications in interpretations of existing guidance—including but not limited to any new guidance, changes or clarifications resulting from the recommendations of the NAIC's Securities Valuation Office with respect to capital required for holding all tranches of a structured security—may adversely impact our insurance subsidiaries, including by limiting our ability to originate, or invest in, certain assets on behalf of our insurance subsidiaries or causing our insurance subsidiaries to increase their required capital in respect of such assets, thus making such asset exposures less attractive to our insurance subsidiaries, which may materially and adversely affect our business.

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RBC ratios of U.S. retirement and life companies like Global Atlantic are impacted by factors beyond Global Atlantic's control, such as the statutory federal tax rate. Future changes in federal corporate tax rates could similarly impact RBC ratios. In addition, the NAIC from time to time considers changes to factors used in calculating RBC. The NAIC is pursuing a variety of reforms to its RBC framework, which could increase the capital requirements for Global Atlantic's U.S. insurance subsidiaries. The NAIC is considering revisions to the capital charges for asset-backed-securities, in particular CLOs, with a focus on increasing the capital charge on the mezzanine or residual tranches (i.e., equity securities) of these securitizations. Recent proposals would increase the applicable capital charge of such residual tranches or equity securities of asset-based securitizations from 30% to 45% as of year-end 2024. The NAIC has also developed a group capital calculation. It is unclear how the group capital calculation will interact with existing capital requirements for insurance companies in the United States and with international capital standards. In Bermuda, the BMA continues to review the BSCR on an ongoing basis, including to maintain its equivalency with Solvency II. We cannot predict the likelihood of changes to the capital requirements to which Global Atlantic is subject, whether such changes will have an impact on RBC ratios or whether Global Atlantic will need to raise and hold additional capital in response to such changes and any such changes may have a material adverse effect on our insurance business. Moreover, the determination of RBC is based on the NAIC designation of the assets in which Global Atlantic invests. NAIC designation for certain investments depends on the applicable NRSRO rating. If there are changes in an NRSRO's methodology, Global Atlantic's ability to invest in such assets may be impacted and Global Atlantic's investment results may be adversely impacted, or Global Atlantic may need to increase its required capital.

Regulators continue to propose or adopt fiduciary rules, best interest standards and other similar laws and regulations applicable to the sale of retirement and life insurance products, including the Department of Labor's October 2023 proposal redefining the scope of "investment advice fiduciary" under ERISA. These rules, standards, laws and regulations generally require advisers providing investment recommendations to act in the client's best interest or put the client's interest ahead of their own interest. Global Atlantic faces uncertainty regarding the adoption of these rules and regulations, including that the SEC, Department of Labor and state insurance departments may adopt potentially conflicting or overlapping standards. These new and proposed regulations may fundamentally change the way financial advisors, agents, and financial institutions do business. These rules may impact the way in which Global Atlantic's products are marketed and offered by its distribution partners, which could have an impact on customer demand, impact the margins our insurance business makes on its products or increase compliance costs and burdens. These rules and potential rules could cause a material decline in sales of Global Atlantic's products in the individual channel, such as variable annuities and fixed-indexed annuities. Regulators in enforcement actions and private litigants could also find it easier to attempt to extend fiduciary status to, or to claim fiduciary or contractual breach by, advisors who would not be deemed fiduciaries under current regulations. Such laws and regulations may have a material adverse impact on the industry and may have a material adverse impact on our insurance business.

The **Series I preferred stockholder** cost of compliance with existing laws and regulations, including capital requirements, is high, and the cost of compliance with any changed, new or additional regulatory requirements could have a material adverse effect on our insurance business, including further restricting our ability to conduct business and our ability to continue to comply with applicable laws and regulations, which could impact Global Atlantic's potential growth and could subject Global Atlantic to fines and other sanctions. Global Atlantic also must balance overlapping and potentially conflicting regulations and accounting rules and interpretations thereof (which may also change over time), including in response to changes in the overall business environment.

**Our Bermuda insurance subsidiaries are subject to regulation by the BMA that may restrict their operations, and we cannot guarantee that insurance supervisors in the United States or elsewhere will not be liable in the future assert that our Bermuda insurance subsidiaries are subject to KKR or holders additional licensing requirements.**

The BMA regulates and supervises each of our **common stock** Bermuda insurance subsidiaries on a stand-alone basis in Bermuda. The Bermuda Insurance Act and the policies of and/or other codes issued by the BMA relevant to insurers require each of our Bermuda reinsurance subsidiaries to, among other requirements, maintain a minimum level of capital and surplus; satisfy solvency standards; comply with restrictions on dividends; obtain prior approval or provide notification to the BMA of changes in shareholder controller shares; make financial statement filings; prepare a financial condition report; maintain a head office in Bermuda from which each of our Bermuda insurance subsidiaries' insurance business will be directed and managed; and allow for the performance of certain periodic examinations of its financial condition. These statutes and regulations may restrict Global Atlantic's ability to write insurance and reinsurance policies, distribute funds and pursue its investment strategy. Our Bermuda insurance subsidiaries will be exposed to any **acts, or omissions unless there** changes in the political environment in Bermuda.

The Bermuda insurance and reinsurance regulatory framework is subject to scrutiny from many jurisdictions. As a result of such overseas scrutiny, the BMA has been implemented and imposed additional requirements on the licensed insurance companies it regulates to achieve equivalence under Solvency II, the solvency regime applicable to the EU insurance sector. As such, Bermuda's reinsurance industry operates in a final legal and non-appealable judgment determining regulatory environment that the Series I preferred stockholder acted in bad faith or engaged in fraud or willful misconduct and we have also agreed to indemnify the Series I preferred stockholder to a similar extent.

Even if there is deemed to be a breach equivalent with that of the obligations set forth EU. The BMA's additional requirements resulting from Solvency II equivalence include enhanced solvency and governance requirements imposed on insurers and reinsurers. As part of the additional requirements, the BMA has also established a group solvency framework that could further enhance the required capital and solvency requirements if the BMA is deemed to be the group regulator. There is a risk that if Solvency II were amended in our certificate of incorporation, our certificate of incorporation provides that any way, Bermuda may be required to amend its regulatory regime to maintain its equivalence under Solvency II, which could lead to changes in the Series I preferred stockholder will not be liable regulatory regime administered by the BMA.

The BMA continues to us or the holders of our common stock for any acts or omissions unless there has been a final and non-appealable judgment by a court of competent jurisdiction determining that the Series I preferred stockholder or its officers and directors acted in bad faith or engaged in fraud or willful misconduct. These provisions are detrimental consider further revisions to the holders of our common stock because they restrict the remedies available Bermuda capital ratio, called BSCR, and may propose further updates to stockholders for actions certain aspects of the Series I preferred stockholder. EBS Framework. Any such updates may materially increase the capital our Bermuda insurance subsidiaries must hold.

In addition, we have agreed to indemnify the Series I preferred stockholder and its affiliates and We cannot provide any member, partner, tax matters partner (as defined assurances that insurance supervisors in U.S. Internal Revenue Code of 1986, as amended (the "Code"), as in effect prior to 2018), partnership representative (as defined in the Code), officer, director, employee, agent, fiduciary or trustee of any of KKR or its subsidiaries (which includes KKR Group Partnership), the Series I preferred stockholder or any of our or the Series I preferred stockholder's affiliates and certain other specified persons (collectively, "Indemnitees"), to the fullest extent permitted by law, against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts incurred by any Indemnitee. We have agreed to provide this indemnification unless there has been a final and non-appealable judgment by a court of competent jurisdiction determining that the Indemnitee acted in bad faith or engaged in fraud or willful misconduct. We have also agreed to provide this indemnification for criminal proceedings.

**The provision of our certificate of incorporation requiring exclusive venue in the state and federal courts located in the State of Delaware or federal district courts of the United States for or elsewhere will not review Global Atlantic's activities and assert that our Bermuda insurance subsidiaries are subject to a U.S. jurisdiction's requirements. In addition, our Bermuda insurance subsidiaries may be subject to indirect regulatory requirements imposed by jurisdictions that may limit Global Atlantic's ability to provide reinsurance. For example, our Bermuda insurance subsidiaries' ability to write reinsurance may be subject, in certain types of lawsuits cases, to arrangements satisfactory to applicable supervisory bodies. Regulatory scrutiny or proposed legislation and regulations may have the effect of discouraging lawsuits against us imposing additional requirements upon, or restricting reinsurance from, U.S. insurers to non-U.S. insurers, in particular between affiliated insurance companies. Reinsurance between our U.S. and our directors, officers and stockholders.**

Our certificate of incorporation requires that (i) any derivative action, suit or proceeding brought on behalf of KKR, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer,

employee or stockholder of KKR Bermuda insurance subsidiaries is subject to KKR or KKR's stockholders, (iii) any action, suit or proceeding asserting a claim arising pursuant to any provision of the Delaware General Corporation Law ("DGCL"), our certificate of incorporation or our bylaws or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action, suit or proceeding asserting a claim governed approval by the internal affairs doctrine applicable U.S. domiciliary state insurance department, and there can be no guarantee such approval will be obtained. Furthermore, Global Atlantic Re Limited reinsures substantially all of Global Atlantic's variable annuity business. If Global Atlantic Re Limited were no longer able to reinsure such business or if Global Atlantic had to recapture variable annuity business reinsured to Global Atlantic Re Limited due to changes in laws or regulations applicable to Global Atlantic Re Limited, Global Atlantic would likely experience increased fluctuations in its RBC ratio attributable to the sensitivity of variable annuities to changes in equity and interest rate markets. A loss of or inability to obtain reciprocal or certified reinsurer status for Global Atlantic's non-U.S. insurance companies may only result in requiring additional collateral to be brought posted with respect to Global Atlantic's existing reinsurance agreements, which may have a material adverse effect on our insurance business.

If in the Court future our Bermuda insurance subsidiaries were to become subject to regulation under the laws of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court located any state in the State of Delaware. In addition, United States or the federal district courts laws of the United States is the exclusive forum for the resolution or of any action, suit other country, Global Atlantic may consider various alternatives to or proceeding asserting a cause restructuring of action arising under the Securities Act and the Exchange Act. This provision its operations. If Global Atlantic attempts to license its Bermuda insurance subsidiaries in another jurisdiction, for instance, Global Atlantic may have the effect of discouraging lawsuits against us and our directors, officers and stockholders.

**The market price and trading volume of our common stock may not be volatile, which could result in rapid and substantial losses for our common stockholders.**

The market price of our common stock may be highly volatile, could be subject to wide fluctuations and could decline significantly in the future. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to sell your shares at an attractive price, if at all. Some examples of the factors that could negatively affect the price of our common stock or result in fluctuations in the price or trading volume of our common stock include the risks generally described in this report, a lack of liquidity in the trading of our common stock, risks generally applicable to publicly traded companies and variations in our quarterly operating results.

**An investment in our common stock is not an investment in any of our funds or other businesses operated by our subsidiaries, and the assets and revenues of our funds are not directly available to us.**



Our common stock only represents an investment in securities of KKR & Co. Inc., the holding company of the KKR business. While our historical consolidated financial statements include financial information, including assets and revenues, of certain funds on a consolidated basis, and our future financial statements will continue to consolidate certain of these funds, such assets and revenues are available to the fund and not to us except to a limited extent through management fees, carried interest or other incentive income, distributions and other proceeds arising from agreements with funds, as discussed in more detail in this report. Additionally, given our holding company structure, an investment in our common stock is not an investment in any other businesses that may be operated by our subsidiaries. See "Business—Organizational Structure" and "—Risks Related to Our Organizational Structure—We intend to pay periodic dividends to the holders of our common stock and preferred stock, but our ability to do so may be limited by and the modification of the conduct of its business or the noncompliance with insurance statutes and regulations could significantly and negatively affect our holding company structure, contractual restrictions, our cash flow from operations and available liquidity." insurance business.

Our common stock price may decline due Any material changes or failures with respect to the large number above could have a material adverse effect on our Bermuda insurance business.

**Global Atlantic may not be able to mitigate the reserve strain associated with statutory accounting rules, potentially resulting in a negative impact on Global Atlantic's capital position or in a need to increase prices or reduce sales of shares eligible for future sale, and issued or issuable pursuant to our equity incentive plans or as consideration in acquisitions, certain insurance products.**

The market price application of certain statutory accounting rules for term life insurance policies with long-term premium guarantees and universal life policies with secondary guarantees requires Global Atlantic to maintain reserves at a level that exceeds what our common stock could decline as insurance subsidiaries' actuarial assumptions for the applicable business would otherwise require. Global Atlantic has special purpose financial captive insurance company subsidiaries ("captives") domiciled in Vermont and Iowa that facilitate the financing of the redundant reserve requirements associated with these statutory accounting rules. These arrangements are subject to review by state insurance regulators and rating agencies.

Further changes in such statutory accounting rules will likely make it difficult for Global Atlantic to establish new captive financing arrangements on a basis consistent with its current captives. As a result of sales these restrictions on financing redundant reserves, the implementation of a large number of shares in the market or the perception that such sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell shares of common stock in the future at a time and at a price that we deem appropriate.

In addition, we have issued and will continue to issue equity awards that vest into or are exchangeable for shares of our common stock pursuant to our 2019 Equity Incentive Plan. We are authorized to grant equity awards equal to 15% of the aggregate number of shares of common stock outstanding and KKR Group Partnership Units (excluding KKR Group Partnership Units held by KKR & Co. Inc. or its subsidiaries) (together, "Diluted Common Shares") minus the number of shares underlying any outstanding equity awards granted under our 2019 Equity Incentive Plan that have not yet been delivered upon vesting. Under the 2019 Equity Incentive Plan, on the first day of each fiscal year, the number of shares of common stock available for issuance of future awards under our 2019 Equity Incentive Plan will be adjusted upwards to 15% of the aggregate number of shares of common stock outstanding and KKR Group Partnership Units (excluding KKR Group Partnership Units held by KKR & Co. Inc. or its subsidiaries) outstanding at the close of business on the last day of the immediately preceding fiscal year, minus the number of shares underlying any outstanding equity awards granted under our 2019 Equity Incentive Plan that have not yet been delivered upon vesting. In addition, previously issued awards that were canceled or are canceled in the future, or in certain cases, withheld in respect of tax withholding obligations, are or will become available for further grant under the terms of our 2019 Equity Incentive Plan. For the number of equity awards available for issuance, see Note 20 "Equity Based Compensation" in our financial statements. For other information about our equity awards, see also "Executive Compensation—KKR & Co. Inc. Equity Incentive Plan." In the past, we have issued and sold our common stock to generate cash proceeds to pay withholding taxes, social benefit payments or similar payments payable by us in respect of awards granted pursuant to our Equity Incentive Plans or the amount of cash delivered in respect of awards granted pursuant to our Equity Incentive Plans that are settled in cash instead of shares of common stock. We may issue and sell shares of our common stock in the future for similar purposes or for any other purpose we deem to be appropriate.

We have used, and new captive structures in the future may be less capital-efficient, may lead to lower product returns and/or increased product pricing, or may result in reduced sales of certain products.

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Certain of the reserve financing facilities Global Atlantic has put in place will mature prior to the run-off of the liabilities they support. As a result, we cannot provide any assurances that it will be able to continue to use, implement actions either to mitigate the strain of redundant reserves on future sales of term and universal life insurance products or maintain collateral support related to Global Atlantic's captives or existing third-party reinsurance arrangements to which one of our common stock or securities convertible, exchangeable or exercisable into our common stock as consideration in acquisitions and strategic investments. For example, in connection with the captive reinsurance subsidiaries is a party. If Global Atlantic acquisition on February 1, 2021, we issued 23.0 million shares of Series C Mandatory Convertible Preferred Stock; in connection with KKR's acquisition of KFN on April 30, 2014, we issued the equivalent of approximately 104.3 million shares of our common stock; in connection with KKR's acquisition of Avoca on February 19, 2014, we issued the equivalent of approximately 4.9 million shares of our common stock; and in connection with KKR's initial acquisition on November 2, 2015 and subsequent increases in ownership of Marshall Wace, we issued the equivalent of approximately 23.0 million shares of our common stock. In addition, in connection with other investments, we may make certain future contingent payments in the form of common stock. If our valuations of these transactions are not accurate is unable to continue to implement those actions or if the value of these acquisitions and investments is not realized, the value of our common stock as well as our dividend per share of common stock may decline.

**Our issuance of preferred stock may cause the price of our common stock to decline, which may negatively impact our common stockholders.**

Our board of directors is authorized to issue series of shares of preferred stock without any action on the part of our stockholders and, with respect to each such series, fix, without stockholder approval (except as maintain existing collateral support, it may be required to increase statutory reserves or incur higher operating costs than currently anticipated.



It is also unclear what additional actions and regulatory changes will result from the continued scrutiny of captive reinsurers and reform efforts by our certificate of incorporation or any certificate of designation relating to any outstanding series of preferred stock, the designation of such series, the powers (including voting powers), preferences and relative, participating, optional NAIC and other special rights, regulatory bodies. The NAIC is evaluating changes to accounting rules regarding surplus notes with linked assets, a structure used in certain captive reserve financing transactions, and Global Atlantic is monitoring for any changes that may impact its statutory financial statements. If state insurance regulators determine to restrict Global Atlantic's use of captive reinsurers, it could require Global Atlantic to increase statutory reserves, incur higher operating or tax costs or reduce sales. If Global Atlantic is unsuccessful or unable to finance these noneconomic reserves, the qualifications, limitations or restrictions thereof, competitiveness, capital and financial position and results of such series of preferred stock and the number of shares of such series. Any series of preferred stock we may issue in the future will rank senior to all operations of our common stock with respect to the payment of dividends or upon our liquidation, dissolution, or winding-up. We have issued series of preferred stock in the past, and if we issue cumulative preferred stock in the future that has preference over our common stock with respect to the payment of dividends or upon our liquidation, dissolution, or winding up, or if we issue preferred stock with voting rights that dilute the voting power of our common stockholders in the instances in which they have the right to vote, the market price of our common stock could decrease. Similarly, the limited partnership agreement of KKR Group Partnership authorizes the general partner of KKR Group Partnership to issue an unlimited number of additional securities of KKR Group Partnership with such designations, preferences, rights, powers and duties that are different from, and insurance business may be senior to, those applicable to the KKR Group Partnership Units, materially and which may be exchangeable for KKR Group Partnership Units.

**Our certificate of incorporation provides us with a right to acquire all of the then outstanding shares of common stock under specified circumstances, which may adversely affect the price of our common stock and the ability of holders of our common stock to participate in further growth in our stock price.**

Our certificate of incorporation provides that, if at any time, either (i) less than 10% of the total shares of any class our stock then outstanding (other than Series I preferred stock and other series of preferred stock) is held by persons other than the Series I preferred stockholder and its affiliates or (ii) we are subjected to registration under the provisions of the Investment Company Act, we may exercise our right to call and purchase all of the then outstanding shares of common stock held by persons other than the Series I preferred stockholder or its affiliates or assign this right to the Series I preferred stockholder or any of its affiliates. As a result, a stockholder may have his or her shares of our common stock purchased from him or her at an undesirable time or price and in a manner which adversely affects the ability of a stockholder to participate in further growth in our stock price, affected.

#### Risks Related to Our Organizational Structure

**Potential The Series I preferred stockholder's significant voting power limits the ability of holders of our common stock to influence our business, and conflicts of interest may arise among the Series I preferred stockholder and the holders of our common stock.**

The Series I preferred stockholder has significant voting power, which limits the ability of holders of our common stock to influence our business. Our Co-Founders, who also serve as our Co-Executive Chairmen, when acting together, jointly control the Series I preferred stockholder when acting together. As a result, conflicts and thereby the vote of interest may arise among the Series I preferred stockholder and its controlling persons, on the one hand, and us and the holders of our common stock on the other hand, held by it.

The Series I preferred stockholder has the ability to appoint and remove members of our board of directors and has the right to approve certain corporate actions as specified in our certificate of incorporation (in addition to approval by our board of directors). See "—Certain actions by our board of directors require the approval of the Series I preferred stockholder, which is controlled by our Co-Executive Chairmen when acting together." incorporation. If the holders of our common stock are dissatisfied with the performance of our board of directors, they have no ability to remove any of our directors, with or without cause.

Through its ability to elect our board of directors and its approval rights over certain corporate transactions, the Series I preferred stockholder may be deemed to control our business and affairs, including influence over the amount and timing of our investments and dispositions, indebtedness and cash expenditures (including those relating to compensation, issuances of capital stock or Group Partnership Units, tax liabilities and amounts of reserves).

Under The vote of our Series I preferred stock will determine the Reorganization Agreement, outcome of all matters that are not listed below as being subject to a vote by our Co-Founders common stock.

Holders of our common stock are entitled to vote with respect to:

- Any amendment of our certificate of incorporation to change the par value of our common stock or the powers, preferences or special rights of our common stock in a way that would affect our common stock adversely;
- A conversion of the legal entity form of KKR & Co. Inc.;
- A transfer, domestication or continuance of KKR & Co. Inc. to a foreign jurisdiction;
- A sale, exchange or disposition of all or substantially all of our assets;
- A merger, consolidation or other business combination;
- An increase in the number of authorized shares of Series I preferred stock; and
- Certain amendments to our certificate of incorporation that would have agreed not a material adverse effect on our common stock relative to transfer the joint control other classes of our stock.

Furthermore, holders of our common stock have the right to vote on the adoption of a new equity compensation plan, any material amendment to an existing equity compensation plan, and an issuance of common stock if, based on the number of shares or the voting power outstanding before such issuance, more than 1% of our common stock is issued to our affiliates and other related parties or more than 20% of our common stock is issued in any transaction, subject to certain limited exemptions.

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Our amended and restated certificate of incorporation and amended and restated bylaws contain additional provisions affecting the holders of our common stock, including limitations on the calling of meetings of the stockholders and procedures for submitting proposals for business to be considered at meetings of the stockholders. In addition, any person that beneficially acquires 20% or more of any class of stock then outstanding without the consent of our board of directors (other than the Series I preferred stockholder prior stockholder) is unable to the Sunset Date (which will be a date not later than December 31, 2026), except that their control may transfer vote such stock on any matter submitted to the then Chief Executive Officer or Co-Chief Executive Officers at the time of their earlier death or permanent disability, such stockholders.

In addition, the Series I preferred stockholder has agreed not to transfer its ownership of the sole share of Series I preferred stock prior to the Sunset Date. If ownership of the sole share of Series I preferred stock were to be transferred, the new owner of the sole share of Series I preferred stock and the directors they appoint to our board of directors could have a different philosophy for the management of our business, which could have a material adverse impact on our business, operations or prospects. For more information about the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement" in this report.

**Certain actions by our board of directors require the approval of the Series I preferred stockholder, which is controlled by our Co-Executive Chairmen when acting together.**

Although the affirmative vote of a majority of our directors is required for any action to be taken by our board of directors, certain specified actions will also require the approval of the Series I preferred stockholder, which is controlled by our Co-Executive Chairmen when acting together. These actions consist of the following:

- the entry into a debt financing arrangement by us in an amount in excess of 10% of our then existing long-term indebtedness (other than the entry into certain intercompany debt financing arrangements);
- the issuance by us or our subsidiaries of any securities that would (i) represent, after such issuance, or upon conversion, exchange or exercise, as the case may be, at least 5% on a fully diluted, as converted, exchanged or exercised basis, of any class of our or their equity securities or (ii) have designations, preferences, rights, priorities or powers that are more favorable than those of our common stock;
- the adoption by us of a shareholder rights plan;
- the amendment of our certificate of incorporation, certain provisions of our bylaws relating to our board of directors and officers or the operating agreement of KKR Group Partnership;
- the exchange or disposition of all or substantially all of our assets or the assets of KKR Group Partnership;
- the merger, sale or other combination of our company or KKR Group Partnership with or into any other person;
- the transfer, mortgage, pledge, hypothecation or grant of a security interest in all or substantially all of the assets of KKR Group Partnership;
- the appointment or removal of our a Chief Executive Officer or a Co-Chief Executive Officer;
- the termination of our employment of any of our officers or the officers of any of our subsidiaries or the termination of the association of a partner with any of our subsidiaries, in each case, without cause;
- the liquidation or dissolution of us or KKR Group Partnership; and
- the withdrawal, removal or substitution of any person as the general partner of KKR Group Partnership or the transfer of beneficial ownership of all or any part of a general partner interest in KKR Group Partnership to any person other than a wholly-owned subsidiary.

Accordingly, our Board may be prevented from causing us to take any of the actions discussed above if the Series I preferred stockholder does not provide its approval to any such action, even if the Board believes such action may be in the best interest of us and our stockholders.

As a result, conflicts of interest may arise among the Series I preferred stockholder and its controlling persons, on the one hand, and us and the holders of our common stock, on the other hand.

For a more detailed description of our common stock and Series I preferred stock, see "Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934," which is filed as an exhibit to this report. In addition, by no later than December 31, 2026, we agreed in the Reorganization Agreement to (i) eliminate our Series I preferred stock and (ii) establish voting rights for our common stock on a one vote per share basis for all matters subject to a common stockholders' vote under Delaware corporate law, including with respect to the election of directors. For more information about the transactions contemplated by the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement."

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**As a "controlled company," we qualify for some exemptions from the corporate governance and other requirements of the NYSE and are not required to comply with certain provisions of U.S. securities laws.**

Prior to the Sunset Date, we are a "controlled company" within the meaning of the corporate governance standards of the NYSE. As a "controlled company" we have elected not to comply with certain corporate governance requirements of the NYSE, including the requirements: (i) that the listed company have a nominating and corporate governance committee that is composed entirely of independent directors, (ii) that the listed company have a compensation committee that is composed entirely of independent directors and (iii) that the compensation committee be required to consider certain independence factors when engaging compensation consultants, legal counsel and other committee advisers. Accordingly, holders of our common stock do not currently have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE.

Prior to the Sunset Date, we are not required to file proxy statements or information statements under Section 14 of the Exchange Act, unless a vote of holders of our common stock is required. Accordingly, legal causes of action and remedies under Section 14 of the Exchange Act for inadequate or misleading information in proxy statements are currently not generally available to holders of our common stock. In addition, until Sunset Date, we are not subject to the "say-on-pay," and "say-on-frequency" provisions of the Dodd-Frank Act or "pay for performance" compensation disclosure. As a result, our stockholders do not currently have an opportunity to provide a non-binding vote on the compensation of our named executive officers or receive additional compensation disclosure. Moreover, holders of our common stock are currently unable to bring matters before our annual meeting of stockholders or nominate directors at such meeting, nor can they currently generally submit stockholder proposals under Rule 14a-8 of the Exchange Act.

Following the elimination of our Series I preferred stock on or before December 31, 2026, pursuant to the Reorganization Agreement, we will no longer be exempted from the foregoing corporate governance requirements of the NYSE (following a transition period), and we will be required to comply with the foregoing provisions of the U.S. securities laws. For more information about the transactions contemplated by the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement."

***Our certificate of incorporation states that the Series I preferred stockholder is under no obligation to consider the separate interests of the other stockholders and contains provisions limiting the liability of the Series I preferred stockholder.***

Subject to applicable law, our certificate of incorporation contains provisions limiting the duties owed by the Series I preferred stockholder and contains provisions allowing the Series I preferred stockholder to favor its own interests and the interests of its controlling persons over us and the holders of our common stock. Our certificate of incorporation contains provisions stating that the Series I preferred stockholder is under no obligation to consider the separate interests of the other stockholders (including the tax consequences to such stockholders) in deciding whether or not to authorize us to take (or decline to authorize us to take) any action as well as provisions stating that the Series I preferred stockholder shall not be liable to the other stockholders for damages or equitable relief for any losses, liabilities or benefits not derived by such stockholders in connection with such decisions.

Even if there is deemed to be a breach of the obligations set forth in our certificate of incorporation, our certificate of incorporation provides that the Series I preferred stockholder will not be liable to us or the holders of our common stock for any acts or omissions unless there has been a final and non-appealable judgment by a court of competent jurisdiction determining that the Series I preferred stockholder or its officers and directors acted in bad faith or engaged in fraud or willful misconduct. These provisions restrict the remedies available to stockholders with respect to actions of the Series I preferred stockholder.

In addition, we have agreed to indemnify the Series I preferred stockholder and its affiliates and any member, partner, tax matters partner (as defined in U.S. Internal Revenue Code of 1986, as amended (the "Code"), as in effect prior to 2018), partnership representative (as defined in the Code), officer, director, employee, agent, fiduciary or trustee of any of KKR or its subsidiaries (which includes KKR Group Partnership), the Series I preferred stockholder or any of our or the Series I preferred stockholder's affiliates and certain other specified persons (collectively, "Indemnitees"), to the fullest extent permitted by law, against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts incurred by any Indemnitee. We have agreed to provide this indemnification unless there has been a final and non-appealable judgment by a court of competent jurisdiction determining that the Indemnitee acted in bad faith or engaged in fraud or willful misconduct. We have also agreed to provide this indemnification for criminal proceedings.

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***The provision of our certificate of incorporation requiring exclusive venue in the state and federal courts located in the State of Delaware or federal district courts of the United States for certain types of lawsuits may have the effect of discouraging lawsuits against us and our directors, officers and stockholders.***

Our certificate of incorporation requires that (i) any derivative action, suit or proceeding brought on behalf of KKR, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, employee or stockholder of KKR to KKR or KKR's stockholders, (iii) any action, suit or proceeding asserting a claim arising pursuant to any provision of the Delaware General Corporation Law ("DGCL"), our certificate of incorporation or our bylaws or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action, suit or proceeding asserting a claim governed by the internal affairs doctrine may only be brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court located in the State of Delaware. In addition, the federal district courts of the United States are the exclusive forum for the resolution of any action, suit or proceeding asserting a cause of action arising under the Securities Act and the Exchange Act. This provision may have the effect of discouraging lawsuits against us and our directors, officers and stockholders.

***An investment in our common stock is not an investment in any of our investment vehicles, insurance companies or other businesses operated by our subsidiaries, and the assets and revenues of our investment vehicles are not directly available to us.***

Our common stock only represents an investment in securities of KKR & Co. Inc., the holding company of the KKR business. While our historical consolidated financial statements include financial information, including assets and revenues, of certain investment vehicles on a consolidated basis, and our future financial statements will continue to consolidate certain of these investment vehicles, such assets and revenues belong to the investment vehicle and not to us except to a limited extent through management fees, carried interest or other incentive income, distributions and other proceeds arising from our agreements with these investment vehicles, as discussed in more detail in this report. Additionally, given our holding company structure, an investment in our common stock is not an investment directly in our insurance companies or any other businesses that may be operated by our subsidiaries.

***Our common stock price may decline due to the large number of shares eligible for future sale, and issued or issuable pursuant to our equity incentive plans or as consideration in acquisitions.***

The market price of our common stock could decline as a result of sales of a large number of shares in the market or the perception that such sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell shares of common stock in the future at a time and at a price that we deem appropriate.

In addition, we have issued and will continue to issue equity awards that vest into or are exchangeable for shares of our common stock pursuant to our 2019 Equity Incentive Plan. We are authorized to grant equity awards equal to 15% of the aggregate number of shares of common stock outstanding and KKR Group Partnership Units (excluding KKR Group Partnership Units held by KKR & Co. Inc. or its subsidiaries) (together, "Diluted Common Shares") minus the number of shares underlying any outstanding equity awards granted under our 2019 Equity Incentive Plan that have not yet been delivered upon vesting. Under the 2019 Equity Incentive Plan, on the first day of each fiscal year, the number of shares of common stock available for issuance of future awards under our 2019 Equity Incentive Plan will be adjusted upwards to 15% of the aggregate number of shares of

common stock outstanding and KKR Group Partnership Units (excluding KKR Group Partnership Units held by KKR & Co. Inc. or its subsidiaries) outstanding at the close of business on the last day of the immediately preceding fiscal year, minus the number of shares underlying any outstanding equity awards granted under our 2019 Equity Incentive Plan that have not yet been delivered upon vesting. In addition, previously issued awards that were canceled or are canceled in the future, or in certain cases, withheld in respect of tax withholding obligations, are or will become available for further grant under the terms of our 2019 Equity Incentive Plan. For the number of equity awards available for issuance, see Note 19 "Equity Based Compensation" in our financial statements. For other information about our equity awards, see also "Executive Compensation—KKR & Co. Inc. Equity Incentive Plan." In the past, we have issued and sold our common stock to generate cash proceeds to pay withholding taxes, social benefit payments or similar payments payable by us in respect of awards granted pursuant to our Equity Incentive Plans or the amount of cash delivered in respect of awards granted pursuant to our Equity Incentive Plans that are settled in cash instead of shares of common stock. We may issue and sell shares of our common stock in the future for similar purposes or for any other purpose we deem to be appropriate.

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We have used, and in the future may continue to use, our common stock or securities convertible, exchangeable or exercisable into our common stock as consideration in connection with acquisitions and strategic investments. For example, in connection with the acquisition of a majority of the equity interest of Global Atlantic on February 1, 2021, we issued 23.0 million shares of Series C Mandatory Convertible Preferred Stock; in connection with KKR's acquisition of KKR Financial Holdings LLC ("KFN") on April 30, 2014, we issued the equivalent of approximately 104.3 million shares of our common stock; in connection with KKR's acquisition of Avoca on February 19, 2014, we issued the equivalent of approximately 4.9 million shares of our common stock; and in connection with KKR's initial acquisition on November 2, 2015 and subsequent increases in ownership of Marshall Wace, we issued the equivalent of approximately 23.0 million shares of our common stock. In addition, in connection with other investments, we may make certain future contingent payments in the form of common stock or securities convertible, exchangeable or exercisable into our common stock. If our valuations of these transactions are not accurate or if the value of these acquisitions and investments is not realized, the value of our common stock as well as our dividend per share of common stock may decline.

***Future issuances of preferred stock may cause the price of our common stock to decline, which may negatively impact our common stockholders.***

Our board of directors is authorized to issue series of shares of preferred stock (including preferred stock convertible into common stock) without any action on the part of our stockholders and, with respect to each such series, fix, without stockholder approval (except as may be required by our certificate of incorporation or any certificate of designation relating to any outstanding series of preferred stock), the designation of such series, the powers (including voting powers), preferences and relative, participating, optional and other special rights, and the qualifications, limitations or restrictions thereof, of such series of preferred stock and the number of shares of such series. Any series of preferred stock we may issue in the future will rank senior to all of our common stock with respect to the payment of dividends or upon our liquidation, dissolution, or winding-up. We have issued series of preferred stock in the past, and if we issue cumulative preferred stock in the future that has preference over our common stock with respect to the payment of dividends or upon our liquidation, dissolution, or winding up, or if we issue preferred stock with voting rights that dilute the voting power of our common stockholders in the instances in which they have the right to vote, the market price of our common stock could decrease. Similarly, the limited partnership agreement of KKR Group Partnership authorizes the general partner of KKR Group Partnership to issue an unlimited number of additional securities of KKR Group Partnership with such designations, preferences, rights, powers and duties that are different from, and may be senior to, those applicable to the KKR Group Partnership Units, and which may be exchangeable for KKR Group Partnership Units.

***Our certificate of incorporation provides us with a right to acquire all of the then outstanding shares of common stock under specified circumstances, which may adversely affect the price of our common stock and the ability of holders of our common stock to participate in further growth in our stock price.***

Our certificate of incorporation provides that, if at any time, either (i) less than 10% of the total shares of any class our stock then outstanding (other than Series I preferred stock and other series of preferred stock) is held by persons other than the Series I preferred stockholder and its affiliates or (ii) we are subjected to registration under the provisions of the Investment Company Act, we may exercise our right to call and purchase all of the then outstanding shares of common stock held by persons other than the Series I preferred stockholder or its affiliates or assign this right to the Series I preferred stockholder or any of its affiliates. As a result, a stockholder may have his or her shares of our common stock purchased from him or her at an undesirable time or price and in a manner which adversely affects the ability of a stockholder to participate in further growth in our stock price.

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***We intend to pay periodic dividends to the holders of our common stock and preferred stock, but our ability to do so may be limited by our holding company structure, contractual restrictions, our cash flow from operations and available liquidity.***

We intend to pay cash dividends on a quarterly basis. We are a holding company and have no material assets other than the KKR Group Partnership Units that we hold through wholly-owned subsidiaries and have no independent means of generating income. The declaration and payment of dividends to our stockholders will be at the sole discretion of our board of directors,

and our dividend policy may be changed at any time. The declaration and payment of dividends is subject to legal, contractual and regulatory restrictions on the payment of dividends by us or our subsidiaries, including restrictions contained in our debt agreements, the terms of our certificate of incorporation, and such other factors as the board of directors considers relevant including, among others: our available cash and current and anticipated cash needs, including funding of investment commitments and debt service and future debt repayment obligations; general economic and business conditions; our strategic plans and prospects; our results of operations and financial condition; and our capital requirements. Under Section 170 of the DGCL, our board of directors may only declare and pay dividends either out of our surplus (as defined in DGCL) or in case there is no such surplus, out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. However, dividends may not be declared out of net profits if our capital, computed in accordance with DGCL, shall have been diminished by depreciation in the value of our property, or by losses, or otherwise, to an amount less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets. Furthermore, by paying cash dividends rather than investing that cash in our businesses, we risk slowing the pace of our growth, or not having a sufficient amount of cash to fund our operations, new investments or unanticipated capital expenditures, should the need arise.

Our In addition, if we issue preferred stock ranks in the future, it will rank senior to our common stock with respect to the payment of dividends. Unless all accumulated and unpaid dividends on the Series C Mandatory Convertible Preferred Stock for all preceding dividend periods have been declared and paid or declared and set apart for payment, we may not declare or pay or set apart payment for dividends on any class of stock of KKR & Co. Inc. that are junior to the Series C Mandatory Convertible Preferred Stock, including our common stock, and we may not repurchase any such junior stock.

Dividends on the Series C Mandatory Convertible Preferred Stock are discretionary and cumulative. Holders of preferred stock will only receive dividends on their shares of preferred stock when, as and if declared by our board of directors, which will be influenced by receipt of distributions from KKR Group Partnership in respect of our Series C mirrored preferred units that we hold in KKR Group Partnership. If dividends on the Series C Mandatory Convertible Preferred Stock have not been declared and paid for the equivalent of six or more quarterly dividend periods, whether or not consecutive, holders of such preferred stock, together as a class with holders of any other series of parity stock with like voting rights, will be entitled to vote for the election of two additional directors to our board of directors. When quarterly dividends have been declared and paid or declared and set apart for payment, in the case of the Series C Mandatory Convertible Preferred Stock, in full, the right of the holders of preferred stock and such parity stock to elect these two additional directors will cease, the terms of office of these two directors will forthwith terminate and the number of directors constituting our board of directors will be reduced accordingly. Additional risks related to the Series C Mandatory Convertible Preferred Stock are contained in the prospectus supplement relating to the securities.

We will be required to pay our certain principals for most of the benefits relating to our use of tax attributes we receive from certain prior historical exchanges of our common stock for KKR Group Partnership Units.

We are required to make certain payments under a tax receivable agreement to certain former principals who have previously exchanged prior to May 30, 2022 their KKR Holdings Units for shares of common stock as transferees of KKR Group Partnership Units. Certain of these exchanges resulted in an increase in our share of the tax basis of the tangible and intangible assets of KKR Group Partnership, primarily attributable to a portion of the goodwill inherent in our business. This increase in tax basis may increase (for tax purposes) depreciation and amortization and therefore reduce the amount of income tax we would otherwise be required to pay in the future. This increase in tax basis may also decrease gain (or increase loss) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets. Under the tax receivable agreement, these former principals are entitled to receive 85% of the amount of cash tax savings, if any, in U.S. federal, state and local income tax that we realize as a result of this increase in tax basis, as well as 85% of the amount of any such savings we actually realize as a result of increases in tax basis that arise due to future payments under the agreement. These payment obligations are obligations of KKR Group Co. Inc. and its wholly-owned subsidiary, KKR Group Holdings Corp., which are treated as corporations for U.S. tax purposes. The amount of payments due under the tax receivable agreement depends on the amount of tax savings in any given year, which will vary depending upon a number of factors, including the number of units previously exchanged, the price of our common stock at the time of such exchanges, the extent to which such exchanges were taxable, the amount and timing of our taxable income, prevailing corporate tax rates over time, and whether we are subject to the corporate alternative minimum book tax.

The tax receivable agreement was terminated on May 30, 2022 pursuant to the Reorganization Agreement. However, all obligations of KKR Group Co. Inc. to make payments arising under the tax receivable agreement with respect to the final exchange on May 18, 2022 and any exchanges completed prior to such exchange remain outstanding until fully paid. For information about management's best estimate of the amounts expected to be owed under the tax receivable agreement, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity Needs—Tax

Receivable Agreement" in this report. For further information generally, see also "Certain Relationships and Related Transactions, and Director Independence."

We may need to incur debt to finance payments under the tax receivable agreement to the extent our cash resources are insufficient to meet our obligations under the tax receivable agreement as a result of timing discrepancies or otherwise. Payments under the tax receivable agreement will be based upon the tax reporting positions that we will determine. We are not aware of any issue that would cause the IRS to challenge a tax basis increase. However, our former principals will not be required to reimburse us for any payments previously made under the tax receivable agreement if such tax basis increase, or the tax benefits we claim arising from such increase, is successfully challenged by the IRS. As a result, in certain circumstances, payments under the tax receivable agreement could be in excess of our cash tax savings. Our ability to achieve benefits from any tax basis increase, and the payments to be made under the tax receivable agreement, will depend upon a number of factors, as discussed above, including the timing and amount of our future taxable income.

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**If we were deemed to be an "investment company" subject to regulation under the Investment Company Act, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.**

A person will generally be deemed to be an "investment company" for purposes of the Investment Company Act if:

- it is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or
- absent an applicable exemption, it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis.

We regard ourselves as an investment management firm. We are engaged primarily in the business of providing investment management services and, through Global Atlantic, the insurance business, and not in the business of investing, reinvesting or trading in securities. Accordingly, we do not believe that we are an "orthodox" investment company as defined in Section 3(a)(1)(A) of the Investment Company Act and described in the first bullet point above.

With regard to the provision described in the second bullet point above, which describes an "investment company" as defined in Section 3(a)(1)(C) of the Investment Company Act (referred to herein as the "40% test"), we have no material assets other than our equity interests in our sole subsidiary, which in turn has no material assets other than general partner interests in KKR Group Partnership. Through these interests, we indirectly are vested with all management and control over KKR Group Partnership. We do not believe our equity interests in our subsidiary are investment securities, and we believe that the capital interests of the general partners of our funds investment vehicles in their respective funds investment vehicles are neither securities nor investment securities. Accordingly, based on our determination, less than 40% of our total assets (exclusive of U.S. government



securities and cash items) on an unconsolidated basis are comprised of assets that could be considered investment securities. However, certain of our subsidiaries have a significant number of investment securities, and we expect to make investments in other investment securities from time to time. We monitor these holdings regularly to confirm our continued compliance with the 40% test described in the second bullet point above. test. The need to comply with this 40% test may cause us to restrict our business and subsidiaries with respect to the assets in which we can invest and/or the types of securities we may issue, sell investment securities, including on unfavorable terms, acquire assets or businesses that could change the nature of our business or potentially take other actions that may be viewed as adverse by the holders of our common stock, in order to ensure conformity with exceptions provided by, and rules and regulations promulgated under, the Investment Company Act.

The Investment Company Act and the rules and regulations thereunder contain detailed parameters for the organization and operation of investment companies. Among other things, the Investment Company Act and the rules and regulations thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options and impose certain governance requirements. We intend to conduct our operations so that we will not be deemed to be an investment company under the Investment Company Act. If anything were to happen which would cause us to be deemed to be an investment company under the Investment Company Act, requirements imposed by the Investment Company Act, including limitations on our capital structure, ability to transact business with affiliates and ability to compensate key employees, would make it impractical for us to continue our business as currently conducted, impair the agreements and arrangements between and among us, including KKR Group Partnership, and KKR Holdings, and materially and adversely affect our business, results of operations and financial condition. us. In addition, we may be required to limit the amount of investments that we make as a principal, potentially divest of our investments or otherwise conduct our business in a manner that does not subject us to the registration and other requirements of the Investment Company Act.

With respect to our subsidiary Global Atlantic, we believe it is not and does not propose to be primarily engaged in the business of investing, reinvesting or trading in securities, and we do not believe that Global Atlantic has held itself out as such.

Global Atlantic is primarily engaged through its wholly-owned insurance company subsidiaries companies in the business of writing insurance, and on an unconsolidated basis, Global Atlantic expects that in excess of 65% of Global Atlantic's gross income will be derived from its wholly-owned insurance company subsidiaries. companies. Global Atlantic's holding companies do not own or propose to own investment securities in excess of the 40% test. Global Atlantic's insurance company subsidiaries companies intend to operate so that in excess of 65% of their business is derived from insurance business, meaning such entities are exempt from designation as an investment company under Section 3(c)(6) of the Investment Company Act. If Global Atlantic were deemed an investment company, restrictions imposed by the Investment Company Act, including limitations on capital structure and ability to transact with affiliates, will likely make it impractical for Global Atlantic to continue its business operations as currently conducted. Global Atlantic may need to take significant actions to avoid registration as an investment company.

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With respect to our subsidiary KFN, we believe it is not and does not propose to be primarily engaged in the business of investing, reinvesting or trading in securities, and we do not believe that KFN has held itself out as such. KFN conducts its operations primarily through its majority-owned subsidiaries, which is either outside of the definition of an investment company as defined in the Investment Company Act or excepted from such definition under the Investment Company Act. KFN monitors its holdings regularly to confirm its continued compliance with the 40% test described in the second bullet point above, and restricts its subsidiaries with respect to the assets in which each of them can invest and/or the types of securities each of them may issue in order to ensure conformity with exceptions provided by, and rules and regulations promulgated under, the Investment Company Act. If the SEC were to disagree with KFN's treatment of one or more of its subsidiaries as being excepted from the Investment Company Act, with its determination that one or more of its other holdings are not investment securities for purposes of the 40% test, or with its determinations as to the nature of its business or the manner in which it holds itself out, KFN and/or one or more of its subsidiaries could be required either (i) to change substantially the manner in which it conducts its operations to avoid being subject to the Investment Company Act or (ii) to register as an investment company. Either of these would likely have a material adverse effect on KFN, its ability to service its indebtedness and to make distributions on its shares, and on the market price of its securities, and could thereby materially and adversely affect our business, results of operations and financial condition. us.

In 2011, the SEC published an advance notice of proposed rulemaking regarding Rule 3a-7 under the Investment Company Act and a concept release seeking information on Section 3(c)(5)(C) of the Investment Company Act, two provisions with which KKR's subsidiaries, including KFN, must comply under the 40% test described above. Among the issues for which the SEC has requested comment is whether Rule 3a-7 should be modified so that parent companies of subsidiaries that rely on Rule 3a-7 should treat their interests in such subsidiaries as investment securities for purposes of the 40% test. The SEC also requested information about the nature of entities that invest in mortgages and mortgage-related pools and how the SEC staff's interpretive positions in connection with Section 3(c)(5)(C) affect these entities. Although no further action has been taken by the SEC, any guidance or action from the SEC or its staff, including changes that the SEC may ultimately propose and adopt to the way Rule 3a-7 applies to entities or new or modified interpretive positions related to Section 3(c)(5)(C), could further inhibit KKR's ability, or the ability of any of its subsidiaries, including KFN, to pursue its current or future operating strategies, which could have a material adverse effect on us.

**We may from time to time undertake reorganizations that may adversely impact our business and results of operations. us.**

From time to time, we may undertake reorganizations or make other changes to our organizational structure. For example, on July 1, 2018, we converted from a Delaware limited partnership to a Delaware corporation; on January 1, 2020, we completed a reorganization to, among other changes, consolidate the three intermediate holdings companies for KKR's business; and, most recently, on May 31, 2022, we completed the mergers contemplated by the Reorganization Agreement by which KKR acquired KKR Holdings. We also committed to undertake another reorganization by the Sunset Date (as defined in the Reorganization Agreement), which will occur not later than December 31, 2026, whereby control of KKR by our Series I preferred stock will be eliminated, eliminated. These reorganizations or changes, including the reorganization scheduled to occur on the Sunset Date, could be disruptive to our business, result in significant expense, require regulatory approvals, and may not be successful in achieving its objectives or fail to result in the intended or expected benefits, any of which could materially and adversely impact our business and results of operations. us. For more information about the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement" in this report.

**Anti-takeover provisions in our organizational documents could delay or prevent a change of control.**



In addition to the provisions related to our Series I preferred stock and Series I preferred stockholder described in this report, certain provisions in our certificate of incorporation and bylaws may discourage, delay or prevent a merger or acquisition that a stockholder may consider favorable by, for example:

- permitting our board of directors to issue one or more series of preferred stock;
- requiring advance notice for stockholder proposals and nominations if they are ever permitted by applicable law; and
- placing limitations on convening stockholder meetings.

These provisions may also discourage acquisition proposals or delay or prevent a change in control. See "Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934," which is filed as an exhibit to this report.

## **Risks Related to Global Atlantic**

### ***Business Risks Related to Global Atlantic***

The Global Atlantic acquisition may not achieve its intended benefits, and certain difficulties, costs or expenses may outweigh such intended benefits.

We may be unable to realize all [Table of the anticipated benefits of the Global Atlantic acquisition, which closed on February 1, 2021. Achieving the anticipated benefits, including the acquisition's continued impact on KKR's AUM, FPAUM, book value, fee related earnings and after-tax distributable earnings, remains subject to a number of uncertainties, including whether the Global Atlantic business will continue to operate and grow in the manner we anticipate. Contents](#)

A significant portion of the benefit of the acquisition is anticipated to come from KKR's role as investment adviser for Global Atlantic's insurance subsidiaries. Prior to KKR's acquisition of Global Atlantic, KKR had not managed the entirety of the investment assets of an insurance company or assets of insurance companies at this scale, and we may not achieve our respective objectives.

Although KKR acquired Global Atlantic in February 2021, the acquisition may still result in material difficulties and costs, both for KKR and for Global Atlantic. With respect to Global Atlantic, such difficulties include complying with financial reporting and disclosure requirements as a subsidiary of a public company and the costs of remediating such difficulties. With respect to KKR, such difficulties include unknown potential liability of owning Global Atlantic, such as potential regulatory changes or claims from current or former investors in Global Atlantic.

Many of the foregoing factors will be outside of our control and any one of them could result in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy, which could adversely affect our (including Global Atlantic's) business, financial condition and results of operations. As a result of the foregoing risks and other events outside of our control, we may fail to realize some or all of the anticipated benefits of the acquisition or in an amount sufficient to offset the potential difficulties, costs and expenses arising from the acquisition. Accordingly, stockholders and potential investors should not place undue reliance on our expectation of the anticipated benefits from the acquisition.

***Interest rate fluctuations, including sustained periods of low interest rates, a sustained increase in interest rates and high interest rates, may adversely affect Global Atlantic's business, financial condition, liquidity, results of operations, cash flows and prospects.***

Interest rate risk is a significant market risk for Global Atlantic, as fluctuations in market interest rates can expose Global Atlantic to the risk of reduced income in respect of its investment portfolio, increases in the cost of acquiring or maintaining its insurance liabilities, increases in the cost of hedging, or other fluctuations in Global Atlantic's financial, capital and operating profile which materially and adversely affect its business. Global Atlantic defines interest rate risk as the risk of a loss due to changes in interest rates. This risk arises from Global Atlantic's holdings in interest rate-sensitive assets and liabilities, which include annuity products and long-duration life insurance policies, derivative contracts with payments linked to the level of interest rates or with market values which fluctuate based on the level of interest rates, and the fixed income assets Global Atlantic owns in its investment portfolio. Interest rate risk also includes adverse changes in customer behavior that may occur as a result of changes in interest rates. Both rising and declining interest rates can negatively affect Global Atlantic's business.

Higher interest rates may result in increased surrenders on interest-sensitive products, such as annuity contracts and certain life insurance policies, which may adversely affect Global Atlantic's earnings related to those products. This risk is present across most of Global Atlantic's insurance products, which can typically be surrendered for the cash value, less any applicable surrender charge, at any time. Higher policyholder surrenders may occur in response to rising interest rates as higher crediting rate investments might become available to policyholders in a higher rate environment. This increase in surrender outflows may create cash flow mismatches between cash received from Global Atlantic's investments versus cash needed to make policyholder liability payments. This mismatch could result in losses if assets must be liquidated at a loss to meet the increased policyholder obligations. An increase in surrenders or withdrawals also may cause Global Atlantic to accelerate the amortization of deferred acquisition costs ("DAC") and value of business acquired ("VOBA"), resulting in a decline in net income. Additionally, an increase in market interest rates could also have a material adverse effect on the value of Global Atlantic's investment portfolio by, for example, decreasing the fair values of the fixed income securities and other interest rate-sensitive securities within Global Atlantic's investment portfolio at a time when Global Atlantic may be forced to liquidate investments, which could result in potentially significant realized losses and a corresponding reduction in net income. In addition, rotating out of investments acquired with new reinsurance transactions to achieve a desired asset mix during a period of rising or higher rates compared to when the investment was acquired will result in realized losses and decrease net income, and such decrease could be significant. Global Atlantic's cost of insurance on new business is generally expected to be elevated during a higher rate environment, as benefits to policyholders on new business will generally be higher.

During periods of falling interest rates, Global Atlantic may face cash flow mismatches between interest earned on its investment portfolio and policy liabilities that may be crediting higher rates. However, Global Atlantic's ability to lower crediting rates is subject to several constraints. For instance, minimum crediting rates are filed with and approved by state regulators, and certain products contain interest rate guarantee periods and other characteristics that restrict this ability, among other restrictions. In addition, competition and other factors, including the potential for increases in surrenders and withdrawals, may limit Global Atlantic's ability to adjust or maintain crediting rates at levels necessary to avoid decreases in earnings under certain conditions. Prolonged periods of low interest rates could challenge product development and product attractiveness, and may also result in

Global Atlantic earning lower margins on new business volumes than Global Atlantic has historically earned. Lower interest rates may reduce the demand for Global Atlantic's insurance products, leading to lower sales. In addition, lower interest rates may make the reinsurance solutions Global Atlantic is able to offer more expensive to potential clients, decreasing their interest in executing reinsurance transactions with Global Atlantic. In a period of declining interest rates, Global Atlantic's investment earnings may decline because new investments will likely bear lower interest rates, and Global Atlantic may not be able to fully offset the decline in investment earnings with lower liability costs on the products these investments support. In addition, the yield on Global Atlantic's floating rate assets will decline as interest rates decline, reducing Global Atlantic's investment income. During periods of declining interest rates, life insurance and annuity products also may be relatively more attractive to consumers due to minimum guarantees, resulting in a higher percentage of contracts remaining in force than originally estimated, causing greater claims costs and asset/liability cash flow mismatches. Conversely, management actions to reduce rates on inforce contracts in response to declining interest rates may result in greater surrenders than originally estimated, which may adversely affect Global Atlantic's earnings related to those products. While Global Atlantic seeks to cash-flow match its assets to its policy liabilities, greater market volatility and uncertainty has made matching more difficult. To the extent that Global Atlantic does not or is unsuccessful in cash-flow matching, Global Atlantic will face the risk of having to reinvest in lower-yielding assets, reducing investment income. Moreover, certain of Global Atlantic's life insurance policies have a longer duration than available investment assets, and, in a declining rate environment, as assets backing these policies mature, the proceeds may have to be reinvested in lower-yielding assets, reducing investment income.

The difference between shorter-term and longer-term rates (also known as the yield curve) may also impact Global Atlantic's business. Global Atlantic's investments are typically in longer-duration assets. Accordingly, the crediting rates offered on Global Atlantic's products typically appear more appealing when the yield curve is steeper, and Global Atlantic is better able to differentiate its products from shorter-term alternatives.

***Global Atlantic's use of derivative financial instruments within its risk management strategy may not be effective or sufficient.***

As part of Global Atlantic's risk management strategy, it employs derivative instruments to hedge certain market risks, including interest rate risk, equity price and foreign exchange risk. Global Atlantic insures or reinsures a variety of products that are exposed to market risks, such as fixed-indexed annuities, indexed universal life and variable annuities, in particular, products with guaranteed benefits. Global Atlantic's risk management hedge program seeks to mitigate economic impacts relating to its insurance products primarily from interest rate and equity price movements, while taking into consideration accounting and capital impacts by purchasing derivative financial instruments. Hedging to mitigate economic impacts may result in additional volatility in Global Atlantic's GAAP results or in adverse impacts on the level of statutory capital and the risk-based capital ("RBC") ratios of its insurance subsidiaries. Moreover, hedging using derivative financial instruments may not effectively offset changes in the carrying value of insurance reserves. Global Atlantic may also choose not to hedge certain risks it has identified or may fail to identify risks, or the magnitudes thereof, to which it is exposed.

Global Atlantic is also subject to the risk that its derivative counterparties or clearinghouse may fail or refuse to meet their obligations to Global Atlantic under derivative financial instruments. If Global Atlantic's derivative counterparties or clearinghouse fail, refuse to meet their obligations in this regard or there is insufficient collateral to cover potential obligations, Global Atlantic's efforts to mitigate risks to which it is subject may prove to be ineffective or inefficient.

***Global Atlantic depends on the performance of its third-party service providers, including distribution partners and agents, and their failure to perform in a satisfactory manner could negatively affect Global Atlantic's business.***

Many elements of Global Atlantic's operations are managed on an outsourced basis. These arrangements create performance risks for Global Atlantic's business and the risk that Global Atlantic's operating expenses will increase. Failure in or poor performance by Global Atlantic's third-party service providers could have a material adverse effect on Global Atlantic's business, results of operations and financial condition. If Global Atlantic elects to replace any of these third-party service providers, Global Atlantic may incur costs or business disruptions in connection with finding, retaining and operationalizing suitable new providers. In addition, the time and attention of senior management may be diverted away from ongoing business operations. From time to time, service disruptions have affected Global Atlantic's products. For example, Global Atlantic has settled policyholder and agent class action litigation matters and a number of regulatory matters stemming from service disruptions caused by its third-party administrator for life insurance policies. In addition, periods of rapid sales have resulted and may in the future result in service disruptions, which may cause significant financial and reputational harm and draw increased scrutiny from regulators. While Global Atlantic has endeavored to mitigate the risk of other disruptions in the future, there can be no guarantee these mitigation efforts will be successful. Global Atlantic may continue to experience reputational impacts and heightened regulatory scrutiny as a result of these matters.

With respect to third-party service providers who perform policy administration and compliance services for Global Atlantic's registered investment adviser and broker-dealer subsidiaries, failures in, or poor performance by, these third-party administrators could result in an increase in customer complaints, regulatory intervention and also have a negative impact on Global Atlantic's wholesaler, agent and distribution partner relationships. If any of these third-party administrators or their employees or any unaffiliated distribution partners are found to have violated regulations or engaged in misconduct, Global Atlantic could be held liable for their actions, which could adversely affect Global Atlantic's reputation and business prospects, may lead to regulatory action, sanctions or litigation and could result in financial harm. The precautions Global Atlantic takes to prevent and detect this activity may not be effective in all cases.

In addition, if any of Global Atlantic's service providers fails to provide Global Atlantic with timely and accurate data, the accuracy of Global Atlantic's financial reporting may be impacted. Should any service provider or third party fail to accurately record information pertaining to Global Atlantic's business, Global Atlantic may inadvertently include inaccurate information in its financial statements.

In many of Global Atlantic's reinsurance agreements, Global Atlantic relies on the ceding companies to whom it provides reinsurance, or the third-party administrators with whom they contract, to provide policy administration and policyholder services and to provide timely and accurate financial and operating information. Global Atlantic may experience inaccuracies in its earnings as a result of erroneous or untimely reporting from its reinsurance company clients or the third-party administrators with whom they contract. Global Atlantic cannot provide any assurances that erroneous information received from third parties will be identified and resolved such that the information is included without error, which may impact Global Atlantic's business and servicing quality.

***Guarantees within certain of Global Atlantic's products may decrease Global Atlantic's earnings, increase the volatility of Global Atlantic's results, result in higher risk costs for Global Atlantic and expose Global Atlantic to increased counterparty risk.***

Certain of Global Atlantic's retirement and life products include guaranteed minimum death benefits, guaranteed minimum withdrawal benefits or no-lapse guarantees. These guarantees are designed to protect policyholders against significant downturns in securities markets and interest rates, or to provide certain minimum levels of coverage. Changes in

markets or deviations in expected policyholder behavior may result in the requirement to hold additional reserves with respect to these policies, which may negatively impact Global Atlantic's liquidity or require it to raise additional capital. An increase in these liabilities would result in a decrease in Global Atlantic's net income.

In addition, declining equity market prices, increasing equity market volatility and declining interest rates can result in an increase in the cost of providing variable annuity policy benefits and can increase required reserves, reducing Global Atlantic's profitability.

Global Atlantic uses risk management strategies, including hedging and reinsurance, to manage the economic exposure to interest rates and equity markets of products with guaranteed benefits. Changes in markets that increase hedging costs may adversely impact the profitability of these products. Furthermore, Global Atlantic is subject to the risk that changes in policyholder behavior or mortality, combined with adverse market events, produce economic losses not addressed by the risk management techniques employed. These, individually or collectively, could have a material adverse effect on Global Atlantic's business, financial condition and results of operations.

***Global Atlantic may experience volatility in its net income under GAAP due to accounting standards for derivatives and, after January 1, 2023, expects to experience volatility in its financial statements due to accounting standards for long-duration contracts.***

Pursuant to current accounting guidance (Financial Accounting Standards Board ("FASB") Accounting Standard Codification Topic 815, Derivatives and Hedging), Global Atlantic's derivative instruments, including certain derivative instruments embedded in other contracts (such as policyholder or reinsurance contracts), are generally recognized on the balance sheet at their fair values and changes in fair value are recognized immediately in earnings. This affects certain revenues and expenses Global Atlantic reports for its business. These fair values are sensitive to various factors including interest rate movements, credit spreads, and various other factors. Because of this, changes in these fair values may cause increased levels of volatility in Global Atlantic's financial statements.

We adopted effective January 1, 2023 with a transition date of January 1, 2021 new accounting guidance issued by the FASB for insurance companies that issue or reinsure long-duration contracts such as life insurance and annuities. The new guidance will increase volatility in our financial statements primarily due to the requirement to measure market risk benefits at fair value, which is recorded in net income, except for changes in value attributable to changes in an entity's non-performance risk, which is recognized in OCI.

***We may be required to accelerate the amortization of deferred revenues and expenses, including DAC and VOBA.***

Global Atlantic incurs significant costs in connection with acquiring new and renewal insurance business. DAC consists of commissions and other costs that are directly related to the successful acquisition of new or renewal insurance contracts. Deferrable sales inducements ("DSI") are generated by annuities that offer enhanced crediting rates or bonus payments to policyholders. VOBA represents the difference between the carrying value of the purchased in-force insurance contract liabilities at the time of the business combination and the estimated fair value of insurance and reinsurance contracts. Global Atlantic establishes an unearned revenue reserve ("URR") liability for revenues from certain universal life insurance products that are deferred to future periods and an unearned front-end load ("UFEL") for gross premium in excess of the benefit reserve plus additional insurance liability for certain preneed contracts. For limited pay contracts, a deferred revenue liability ("DRL") that represents the gross premium less the net premium is established. Each of DAC, VOBA, URR, UFEL and DRL requires significant estimates to establish and amortize. In conjunction with the Global Atlantic acquisition, purchase accounting required Global Atlantic to write-down intangibles including DAC and VOBA, and then reestablish the new VOBA at the fair value for Global Atlantic. These purchase accounting adjustments will impact Global Atlantic's emergence of earnings in the future.

Global Atlantic periodically revises the key assumptions used in the calculation of the amortization of DAC, VOBA, URR, UFEL and DSI as part of the assumption review process. To the extent policy or contract terminations exceed projected levels, then the amortization of deferred revenues and expenses will be accelerated in the period of the change and will result in a charge to income, which could have a material adverse effect on Global Atlantic's profitability.

***Differences between Global Atlantic's policyholder behavior estimates, reserve assumptions and actual claims experience, in particular with respect to the timing and magnitude of claims and surrenders, may adversely affect Global Atlantic's results of operations or financial condition.***

Global Atlantic holds reserves to pay future policy benefits and claims. Global Atlantic's reserves are estimated based on data and models that include many assumptions and projections, which are inherently uncertain and involve significant judgment, including assumptions as to the levels and/or timing of receipt or payment of premiums, benefits, claims, expenses, interest credits, investment results (including equity and other market returns), mortality, morbidity, longevity and persistency.

While Global Atlantic periodically reviews the adequacy of its reserves and the assumptions underlying those reserves, Global Atlantic cannot determine with precision the amounts that Global Atlantic will pay for, or the timing of payment of, actual benefits, claims and expenses or whether the assets supporting policy liabilities, together with future premiums, will grow to the level assumed prior to the payment of benefits or claims. For Global Atlantic's directly issued fixed-rate annuities, reserves are equal to policyholder account balances before applicable surrender charges, and lapse, surrender rates and persistency assumptions are important assumptions used in calculating these reserves and drivers of profitability with respect to these products. Advances in technology, including predictive medical technology that enables consumers to select products better matched to their individual longevity or mortality risk profile and other medical breakthroughs that extend lives, could cause Global Atlantic's future experience to deviate significantly from actuarial assumptions, which could adversely impact the level of reserves and profitability. The resulting acceleration of expense amortization, reduced spread or increased payments could have a material adverse effect on Global Atlantic's business, financial condition and results of operations.

If actual experience differs significantly from assumptions or estimates, certain balances included in Global Atlantic's balance sheet, may not be adequate, particularly DAC, VOBA, policy reserves and other actuarial balances. If Global Atlantic concludes that its reserves, together with future premiums, are insufficient to cover future policy benefits and claims, Global Atlantic would be required to increase its reserves and incur income statement charges for the period in which it makes the determination, which could have a material adverse effect on Global Atlantic's business, financial condition and results of operations. The increase in the statutory reserves of Global Atlantic's operating subsidiaries may negatively affect liquidity and capitalization.

***Estimates used in the preparation of financial statements and models for insurance products may differ materially from actual experience.***

GAAP requires the application of accounting guidance and policies that often involve a significant degree of judgment when accounting for insurance products. These estimates include, but are not limited to, premium persistency, future policy benefits and related expenses, valuation of embedded derivatives, valuation and impairment of investments and amortization of deferred revenues and expenses. These accounting estimates require the use of assumptions, some of which are highly uncertain at the time of estimation. These estimates are based on judgment, current facts and circumstances and, when applicable, internally developed models. Therefore, actual results could differ from these estimates, possibly in the near term. Inaccuracies could result in, among other things, an increase in policyholder benefit reserves or acceleration of the amortization of deferred revenues and expenses, such as DAC and VOBA, which would result in a charge to earnings, a restatement of Global Atlantic's historical financial statements or other material adjustments. Additionally, the potential for unforeseen developments, including changes in laws, regulations or accounting standards, may result in losses and loss expenses materially different from the reserves initially established.

In addition, Global Atlantic employs models to price products, calculate reserves, value assets and generate projections used to estimate future pre-tax income, as well as to evaluate risk, determine internal capital requirements and perform stress testing, among other uses. These models rely on estimates and projections that are inherently uncertain, may use incomplete, outdated or incorrect data or assumptions and may not operate properly. As Global Atlantic's businesses continue to expand and evolve, the number and complexity of models it employs has grown, increasing exposure to error in the design, implementation or use of models, including the associated data input, controls and assumptions, and the controls in place to mitigate their risk may not be effective in all cases. Limitations or errors in the design, implementation or use of these models may be material and could lead Global Atlantic to make wrong or suboptimal decisions in aspects of its business, which could have a material adverse effect on its business, results of operations and financial condition.

**Global Atlantic's growth strategy includes reinsurance of insurance obligations written by unaffiliated insurance companies, and its ability to consummate these transactions on acceptable terms is uncertain. Even if Global Atlantic executes transactions on acceptable terms, the ability to realize the anticipated financial benefits from reinsurance transactions is uncertain.**

Global Atlantic has grown and intends to continue growing its business through block reinsurance transactions, flow reinsurance, pension risk transfer reinsurance and the issuance of funding agreements. Global Atlantic routinely reviews potential reinsurance transactions, some of which may be material. To the extent Global Atlantic is unable to consummate suitable reinsurance transaction opportunities on acceptable terms, its future growth may be negatively impacted. Even if Global Atlantic does find suitable opportunities on commercially acceptable terms, Global Atlantic may not be able to consummate these transactions because of the regulatory approvals required or other considerations. There is no assurance Global Atlantic will continue to be successful in these institutional markets.

Competition, in particular with respect to transaction pricing, makes it more difficult to identify transactions with terms that are commercially acceptable based on Global Atlantic's objectives and analyses. Moreover, the NAIC is considering, and certain states have enacted, insurance business transfer laws that permit insurers to transfer blocks of business to other insurers by operation of law. Such transfers could become a viable alternative structure to block reinsurance transactions and consequently may materially and adversely impact Global Atlantic's ability to identify and enter into new block reinsurance transactions.

If Global Atlantic enters into a reinsurance transaction, there can be no assurance that the transaction will achieve the results expected at the time the transaction is executed. In addition, Global Atlantic faces risks associated with managing reinsured blocks. If, in connection with a reinsurance transaction, Global Atlantic converts a reinsured block of business to a new system, there could be disruption of servicing for policyholders. As a result of any such disruption, Global Atlantic may experience customer complaints, regulatory intervention, or other adverse impacts.

With respect to potential future reinsurance transactions, there can be no assurance that opportunities will persist, and even if opportunities do persist, there can be no assurance that Global Atlantic will have sufficient capital available, or to the extent it does have sufficient capital, that such capital will be available in the necessary entities, to continue growing this part of Global Atlantic's business.

Global Atlantic sponsors co-investment vehicles ("Co-Invest Vehicles"), including the Ivy Entities, that have capital committed to invest alongside Global Atlantic in certain block reinsurance, pension risk transfer and other reinsurance transactions that Global Atlantic enters into during their investment period. Global Atlantic does not control the Co-Invest Vehicles, and Global Atlantic is subject to the risk that the Co-Invest Vehicles fail or refuse to fund their portion of a particular transaction, in which case Global Atlantic would have contractual remedies against the defaulting Co-Invest Vehicles but not directly against their shareholders or lenders. Global Atlantic is also subject to the risk that a Co-Invest Vehicle fails to meet its obligations under any funds withheld reinsurance arrangements with Global Atlantic. As a result of any of the foregoing risks, Global Atlantic may realize materially less than the anticipated financial benefits from reinsurance transactions, or Global Atlantic's reinsurance transactions may be unprofitable or result in losses.

**Global Atlantic's historical growth rates may not be indicative of its future growth, Global Atlantic may not be able to identify attractive insurance markets, reinsurance opportunities or investments with returns that are as favorable as Global Atlantic's historical returns and grow new business volumes at historical levels, or Global Atlantic may not effectively manage its growth.**

Global Atlantic's historical growth rates may not reflect its future growth rates. Global Atlantic may not be able to identify sufficient opportunities for continued growth. With future growth, there can be no guarantee that Global Atlantic's net underwriting return will be as favorable as its historic returns. Weaker margins may challenge Global Atlantic's ability to grow profitably or at the returns targeted. Further, in order to maintain or increase investment returns, it may be necessary to expand the scope of Global Atlantic's investing activities to asset classes in which Global Atlantic historically has not invested, which may increase the risk of Global Atlantic's investment portfolio. Growth opportunities may be in new or adjacent product offerings and in new jurisdictions where Global Atlantic historically has had less experience. Pursuing opportunities in these new areas may subject Global Atlantic to new and complex insurance regulations and business considerations. If Global Atlantic is unable to find or manage profitable growth opportunities, it will be more difficult for Global Atlantic to continue to grow, and could negatively affect its results of operations and financial condition.

In addition, Global Atlantic's future growth depends on its ability to continue to offer and sell products that Global Atlantic's customers find attractive. Consumer preferences regarding annuities and life insurance are subject to change. Global Atlantic's historical individual market's growth has been largely concentrated in fixed-rate annuities, fixed-indexed annuities and indexed universal life products. However, sales of these products may not continue to grow or be reinsured at historical levels, and there can be no assurance that consumers will continue to prefer these products. In institutional markets, Global Atlantic's growth has included offering adjacent product types and offering products in additional jurisdictions. If preferences for Global Atlantic's products change or Global Atlantic is unable to offer competitive pricing and attractive terms, Global Atlantic's revenues and results of operations may be materially adversely impacted.

Moreover, as an insurance company, Global Atlantic's ability to grow is dependent on the sufficiency of its capital base to support that growth. Global Atlantic may need to seek additional capital to manage its growth, and Global Atlantic may not be able to maintain its current strong capital position as it grows. As Global Atlantic grows, it must invest additional assets. If Global Atlantic is unable to take advantage of investment opportunities and adequately manage its investments and capital, Global Atlantic's financial condition and results of operations could suffer. Growth may increase the risk of service problems, and Global Atlantic may need to expend additional resources to provide consistent service. Any service problems may cause reputational harm. Future growth will also impose added responsibilities on Global Atlantic's management and will introduce additional regulatory complexity. Global Atlantic may not be able to manage its expenses effectively or scale its business. Global Atlantic's ability to reinsure business from or to third parties or among its affiliates may also be limited by law or regulation. Global Atlantic's failure to manage growth effectively for the reasons discussed above could have a material adverse effect on its business, financial condition and results of operations. If Global Atlantic's businesses do not perform well and/or their estimated fair values decline, Global Atlantic may be required to recognize an impairment of goodwill, which could have a material adverse effect on our results of operations and financial condition.

**Gaps in Global Atlantic's risk management policies and procedures may leave it exposed to unidentified or unanticipated risk, which could negatively affect Global Atlantic's business.**

Global Atlantic has devoted significant resources to develop its Enterprise Risk Management framework to identify, monitor and manage financial and nonfinancial risks effectively, but Global Atlantic cannot guarantee that this framework will allow it to efficiently price, identify and predict future risks. Developing an effective framework for assessing and managing risks is complex. No framework or strategy can completely insulate Global Atlantic from all risks, and Global Atlantic may be unable to identify all risks and limit its exposures based on its assessments. Furthermore, there can be no assurance that Global Atlantic can effectively review and monitor all risks or that all of Global Atlantic's employees will follow its risk management policies and procedures. If Global Atlantic's modeling of, processes relating to, analysis of or management of risk do not accurately predict and appropriately respond to future risk exposures, such risks could have a material adverse effect on Global Atlantic's business, results of operations and financial condition.

**Global Atlantic's actual or perceived financial strength impacts its ability to sell its products, and a downgrade in Global Atlantic's ratings or in the ratings of its insurance subsidiaries could materially adversely affect Global Atlantic's ability to compete, raise equity or issue debt.**

Financial strength ratings are published by various nationally recognized statistical rating organizations ("NRSROs") and similar entities not formally recognized as NRSROs. Rating organizations periodically review the financial performance, capital adequacy and condition of insurers, including Global Atlantic's insurance and reinsurance subsidiaries. Rating agencies also consider general economic conditions and other circumstances outside the rated company's control in assigning a rating. The various rating agencies periodically review and may modify their standards, established guidelines and capital models from time to time. There can be no assurance that Global Atlantic's ratings will not be negatively impacted by any such changes.

If Global Atlantic's capital levels are deemed insufficient, Global Atlantic could be required to reduce its risk profile in order to maintain its current ratings, by, for example, reinsuring and/or retroceding some of Global Atlantic's business, materially altering its business and sales plans or by raising additional capital. Any such action could have a material adverse effect on Global Atlantic's business, results of operations and financial condition.

Downgrades in Global Atlantic's credit ratings or changes to its rating outlook, or downgrades or changes in outlook to the financial strength ratings of Global Atlantic's insurance subsidiaries, could have a material adverse effect on Global Atlantic's business, results of operations and financial condition in many ways, including limiting access to distributors, restricting Global Atlantic's ability to generate sales, decreasing profitability, increasing policy lapse activity, limiting access to capital markets and potentially increasing the cost of debt, which could adversely affect liquidity. For example, Global Atlantic believes that a downgrade in the A.M. Best rating of Global Atlantic's U.S. insurance subsidiaries could materially impact their sales and access to new distribution relationships. The ability of Global Atlantic's subsidiaries to engage in reinsurance transactions—and to do so absent substantial obligations to collateralize performance of their respective obligations—may depend in part on their financial condition and is influenced by their ratings. If an independent rating agency downgrades or withdraws any of Global Atlantic's ratings, Global Atlantic could be limited in, or prevented from, writing any new insurance and reinsurance contracts; some existing contracts may be terminated or may require Global Atlantic to enhance certain credit terms; the pricing terms Global Atlantic can obtain may be adversely affected; and Global Atlantic's borrowing costs or ability to access the capital markets could be materially adversely impacted. Downgrades in credit or financial strength ratings may increase the regulatory scrutiny to which Global Atlantic and its insurance subsidiaries are subjected. In addition, failure by Global Atlantic to maintain minimum RBC ratio requirements in certain contracts could permit the counterparty to terminate the contract, recapture business or require posting of additional collateral. There is no guarantee that Global Atlantic will be able to maintain its ratings in the future, and Global Atlantic cannot provide any assurances that actions taken by ratings agencies would not result in a material adverse effect on Global Atlantic's business, results of operations and financial condition.

**Global Atlantic's failure to comply with covenants contained in its current or future credit facilities or agreements could trigger prepayment obligations, which could materially adversely affect Global Atlantic's business, results of operations and financial condition.**

Global Atlantic's revolving credit facility requires Global Atlantic to comply with certain covenants, which include requirements to maintain a consolidated debt to total capitalization ratio, as defined under the agreements, of 35% or less and to maintain consolidated net worth determined in accordance with GAAP of no less than 70% of Global Atlantic's net worth as of June 30, 2021, plus 50% of Global Atlantic's net income since June 30, 2021. Global Atlantic's failure to comply with these covenants could result in an event of default which, if not cured or waived within any applicable grace period, could result in the acceleration of amounts outstanding under the facility and of the term loan. In addition, if Global Atlantic defaults on its senior notes or subordinated debentures, any other debt with a principal amount of at least \$75 million or any swap contract with a termination value in excess of \$75 million, then Global Atlantic will also be in default under its revolving credit facility and on the term loan. Any default under these agreements, and any resulting acceleration of Global Atlantic's outstanding indebtedness, would have a material adverse effect on Global Atlantic's business, results of operations and financial condition. Default by Global Atlantic under these agreements could also cause a cross default under KKR's corporate revolving credit facility, which, if not cured or waived, could have a material adverse effect on KKR's business, results of operations and financial condition.

**Global Atlantic does not have captive or proprietary distribution or engage in direct sales, and if Global Atlantic's products are not retained on or added to the platforms of its distribution partners, sales of Global Atlantic's products may be reduced.**

Global Atlantic relies on banks, broker-dealers, insurance agencies and independent agents to distribute its retirement and traditional life insurance products, including preneed. Global Atlantic's distribution partners are not captive and may sell retirement and life insurance products of Global Atlantic's competitors. If Global Atlantic's competitors offer



products that are more attractive, pay higher commission rates to the sales representatives or offer a better service experience, these representatives may concentrate their efforts in selling Global Atlantic's competitors' products.

Global Atlantic competes with other insurance companies to place products with distribution partners. Key distribution partners may merge, change their business models in ways that affect how Global Atlantic's products are sold, or terminate their distribution contracts with Global Atlantic, or new distribution channels could emerge and adversely impact the effectiveness of Global Atlantic's distribution efforts. Consolidation of distributors and/or other industry changes may increase competition for access to distributors and increase the likelihood of products being dropped from a distributor or that distributors will try to renegotiate the terms of any existing selling agreements to terms less favorable to Global Atlantic. Distribution partners may also stop offering one or more of Global Atlantic's products, for a period of time or permanently, for a variety of reasons, including Global Atlantic's financial strength pricing or servicing. If any one of such distributors were to terminate its relationship with Global Atlantic or reduce the amount of sales which it produces, Global Atlantic's results of operations may be adversely affected.

In addition, some of Global Atlantic's distribution partners and potential partners use proprietary or third-party scoring systems in determining which products to sell. If Global Atlantic's scores fall to levels unacceptable to its distribution partners, they may no longer distribute Global Atlantic's products to their customers, which would have a negative impact on Global Atlantic's business and results of operations. If Global Atlantic is unable to place its products or retain its products on the platforms of distribution partners, Global Atlantic's business, results of operations and liquidity may be negatively affected.

**Global Atlantic faces risks associated with business it reinsures and business it cedes to reinsurers and which could cause a material adverse effect on Global Atlantic's business, results of operations and financial condition.**

As part of Global Atlantic's overall risk management strategy, it cedes business to other insurance companies through reinsurance. Global Atlantic's inability to collect from its reinsurers (including reinsurance clients in transactions where Global Atlantic reinsures business net of ceded reinsurance) on its reinsurance claims could have a material adverse effect on Global Atlantic's business, results of operations and financial condition. Although reinsurers are liable to Global Atlantic to the extent of the reinsurance coverage it acquires, Global Atlantic remains primarily liable as the direct insurer on all risks that it writes; therefore, Global Atlantic's reinsurance agreements do not eliminate its obligation to pay claims. As a result, Global Atlantic is subject to the risk that it may not recover amounts due from reinsurers. The risk could arise primarily in two situations: (1) Global Atlantic's reinsurers may dispute some of its reinsurance claims based on contract terms, and, as a result, Global Atlantic may receive partial or no payment or (2) Global Atlantic's reinsurers may default on their obligations. While Global Atlantic may manage these risks through transaction-related diligence, contract terms, collateral requirements, hedging, and other oversight mechanisms, Global Atlantic's efforts may not be successful. A reinsurer's insolvency, or its inability or unwillingness to make payments due to Global Atlantic under the terms of the relevant reinsurance agreements, could have a material adverse effect on Global Atlantic's business, results of operations and financial condition.

Global Atlantic also bears the risk that the companies that reinsure its mortality risk on a yearly renewable term, where the reinsurer may reset the premium and other terms each year, increase the premiums they charge to levels Global Atlantic deems unacceptable. If that occurs, Global Atlantic will either need to pay such increased premiums, which will affect margins and financial results, or alternatively, Global Atlantic will need to limit or potentially terminate reinsurance, which will increase the risks that Global Atlantic retains.

Conversely, certain of Global Atlantic's insurance subsidiaries assume liabilities from other insurance companies. Changes in the ratings, creditworthiness or market perception of such ceding companies or in the administration of policies reinsured to Global Atlantic could cause policyholders of contracts reinsured to Global Atlantic to surrender or lapse their policies in unexpected amounts. In addition, to the extent such ceding companies do not perform their obligations under the relevant reinsurance agreements, Global Atlantic may not achieve the results intended and could suffer unexpected losses. Certain reinsurance transactions require additional operational support, administration, regulatory filings and compliance with jurisdiction-specific laws and regulations, subjecting Global Atlantic to additional scrutiny and risks. These risks could materially and adversely affect Global Atlantic's business, financial condition, results of operations and cash flows.

**Any failure to protect the confidentiality of client information could adversely affect Global Atlantic's reputation and have a material adverse effect on its business, financial condition and results of operations.**

Pursuant to federal and state laws, various government agencies have established rules protecting the privacy and security of personal information. In addition, most states have enacted laws to which Global Atlantic is subject, and which vary significantly from jurisdiction to jurisdiction, to safeguard the privacy and security of personal information. Global Atlantic is subject to the New York State Department of Financial Services ("NYDFS") cybersecurity regulation. In August 2022, the NYDFS proposed amendments to expand this cybersecurity regulation, including heightened governance and technical requirements. Global Atlantic is also subject to the California Consumer Privacy Act for certain aspects of its business. Further, the Gramm-Leach-Bliley Act of 1999 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. Many regulators have indicated an intention to take more aggressive enforcement actions regarding cybersecurity and data privacy matters, and private litigation resulting from such matters is increasing and resulting in progressively larger judgments and settlements.

Many of Global Atlantic's employees have access to, and routinely process, personal information of clients through a variety of media, including information technology systems. Global Atlantic relies on various internal processes and controls to protect the confidentiality of client information that is accessible to, or in the possession of, Global Atlantic and its employees. It is possible that an employee could, intentionally or unintentionally, disclose or misappropriate confidential client information or Global Atlantic's data could be the subject of a cybersecurity attack. Global Atlantic's third-party administrators and their employees also have access to, and routinely process, personal information of clients, and Global Atlantic is also dependent on such third parties and their systems to protect such data. Global Atlantic is aware of instances in which one of its employees or one of its third-party administrators' employees unintentionally shared confidential client information. While Global Atlantic offered remediation, such as credit monitoring, to the impacted clients, and trained the individuals involved in the situations it was aware of, if Global Atlantic fails to maintain adequate internal controls or if its employees fail to comply with Global Atlantic's policies and procedures, misappropriation or intentional or unintentional inappropriate disclosure or misuse of client information could occur. Such internal control inadequacies or noncompliance could materially damage Global Atlantic's reputation or lead to civil or criminal penalties. Global Atlantic's third-party service providers, including third parties to whom Global Atlantic outsources certain functions, are also subject to the risks outlined above, any one of which could result in damage to Global Atlantic's reputation, Global Atlantic incurring substantial costs and other negative consequences. If Global Atlantic or any of its third-party service providers fails to protect the confidentiality of client information, it could have a material adverse effect on Global Atlantic's business, financial condition and results of operations.

In addition, Global Atlantic analyzes customer data to better manage its business. There has been increased scrutiny, including from regulators, regarding the use of "big data," diligence of data sets and oversight of data vendors. Global Atlantic's ability to use data to gain insights into and manage its business may be limited in the future by regulatory



scrutiny. Regulators are also increasing scrutiny and considering regulation of the use of artificial intelligence technologies. Global Atlantic cannot predict what, if any, actions may be taken, but such developments could cause impacts to its operations, increased legal risk or reputational harm and could have a material adverse effect on Global Atlantic's business, results of operations and financial condition.

**Changes in accounting standards could adversely impact Global Atlantic's reported results of operations and reported financial condition.**

Global Atlantic's financial statements are subject to the application of GAAP, which is periodically revised, reinterpreted and/or expanded. Accordingly, from time to time Global Atlantic is required to adopt new guidance or interpretations, or could be subject to existing guidance as Global Atlantic enters into new transactions or business lines, which may have a material effect on Global Atlantic's results of operations and financial condition that is either unexpected or has a greater impact than expected. Upon the closing of the acquisition of Global Atlantic by KKR, Global Atlantic established a new accounting basis for purchase accounting, under which all identifiable assets acquired and liabilities assumed were measured and recorded at fair value as of the date of the closing. In addition, certain accounting standards applicable to public entities became applicable to Global Atlantic.

We adopted effective January 1, 2023 with a transition date of January 1, 2021 the new accounting guidance for insurance companies that issue or reinsure long-duration contracts such as life insurance and annuities. Going forward, Global Atlantic believes that the new standard will increase volatility in its consolidated financial statements, in particular due to the requirement to remeasure certain policy liabilities each quarter, either at fair value or using current market discount rates, with changes recorded in either net income or other comprehensive income. In addition, the new guidance will have a significant impact on Global Atlantic's systems, processes and controls.

In June 2016, FASB issued new guidance on the measurement of credit losses on financial instruments, including reinsurance recoverables, under GAAP. This guidance replaced the incurred loss impairment methodology with a requirement to reflect current expected credit losses in amortized cost instead of recognizing losses as incurred. Following the closing of the Global Atlantic acquisition, this standard became applicable to Global Atlantic and required increases in expected credit losses on financial instruments measured at amortized cost including loan receivables and reinsurance recoverables which are recognized as a charge to earnings.

The changes for long-duration contracts, the measurement of credit losses on financial instruments, application of purchase accounting in connection with the closing of the Global Atlantic acquisition or other changes in accounting standards could affect the way Global Atlantic accounts for and reports significant areas of its business, could impose special demands on Global Atlantic in the areas of governance, employee training, internal controls and disclosure, and will likely affect how Global Atlantic manages its business. As a result, the required adoption of future accounting standards could have a material adverse impact on Global Atlantic's results of operations and financial condition.

The NAIC has approved Statutory Accounting Principles ("SAP") for U.S. insurance companies that have been implemented by the domiciliary states of Global Atlantic's U.S. insurance subsidiaries. The NAIC from time to time considers amendments to the Statutory Accounting Principles and is currently considering various amendments to the Statutory Accounting Principles that impact investment transactions, including, for example, definitions of affiliated and related party transactions and capital charge determinations for loan-backed and structured securities. In addition, the NAIC has expressed concerns and is considering changes related to filing exempt status for certain securities or loans, which generally allows the use of an NRSRO rating for purposes of capital assessment as opposed to requiring review by the Securities Valuation Office. The NAIC adopted, and is considering additional, changes to the NAIC ratings assigned to privately rated securities. These changes and future changes raise uncertainty with respect to the NAIC ratings of, and consequently capital required to be held for, certain investments.

In addition, the NAIC Accounting Practices and Procedures Manual, or the "Accounting Manual," provides that state insurance departments may permit insurance companies domiciled therein to depart from the Statutory Accounting Principles by granting them permitted accounting practices. Global Atlantic makes use of permitted practices today and may seek approval to use additional permitted practices in the future. Permitted practices do not preempt legislative or regulatory changes to the Statutory Accounting Principles. Accordingly, there is a risk that Global Atlantic may not be able to continue to use a previously granted permitted practice. In addition, Global Atlantic cannot predict whether or when the insurance departments of the states of domicile of its competitors may permit Global Atlantic's competitors to utilize advantageous accounting practices that depart from the Statutory Accounting Principles, the use of which is not permitted by the insurance departments of the states of domicile of Global Atlantic's U.S. insurance subsidiaries. Any change in the Statutory Accounting Principles or permitted practices could have a material adverse impact on the capital Global Atlantic is required to hold in its business and consequently on its profitability and ability to grow.

Global Atlantic's Bermuda insurance subsidiaries are licensed to conduct insurance business by the BMA. In 2016, the BMA made significant changes to Bermuda's regulatory and supervisory regimes, to achieve equivalence with the EU's Directive 2009/138EC, as amended (Solvency II). On March 24, 2016, and (retroactively) effective as of January 1, 2016, a number of changes were instituted for commercial insurers and insurance groups to enhance statutory and prudential reporting requirements. In that regard, the BMA implemented the Economic Balance Sheet ("EBS") framework ("EBS Framework"), which is now used as the basis to determine an insurer's enhanced capital requirement. Bermuda-licensed commercial insurers are required to prepare prescribed statutory financial statements. Global Atlantic's Bermuda insurance subsidiaries' financial statements prepared in accordance with GAAP act as the basis on which statutory financial statements are prepared, subject to application of certain prudential filters. These statutory financial statements, in turn, form the starting basis for the preparation of the EBS. The statutory financial statements also form the basis for assessing each Bermuda insurance subsidiary's ordinary dividend capacity, Minimum Margin of Solvency and class of registration as an insurer in Bermuda. The EBS Framework and statutory financial statements are embedded in the BMA's legislative and regulatory regime. The European Insurance and Occupational Pensions Authority conducted a review of Solvency II in 2020 and noted that a number of amendments to Solvency II are required to ensure that the regulatory framework continues as a well-functioning risk-based regime.

Changes to GAAP, SAP, the Bermuda EBS Framework or capital models may be complex, require significant resources to implement and have an impact on our controls, which may be significant. Failure to implement or take appropriate or effective management actions in response to such changes may have a negative impact on Global Atlantic's business condition and results of operations and such impact may be material. Global Atlantic can give no assurances that the impacts of current, proposed or future changes to GAAP, SAP, Bermuda EBS Framework, capital models or any components or interpretation thereof, the grant of permitted accounting practices to Global Atlantic's competitors or future changes to legal, accounting, capital or financial regimes will not have a negative impact or material adverse effect on Global Atlantic.

**Global Atlantic may experience volatility in its net income under GAAP due to its funds withheld and modified coinsurance transactions.**

Funds withheld coinsurance and modified coinsurance differ from coinsurance and certain other forms of reinsurance in that the assets equal to the net statutory reserves are withheld and legally owned by the ceding company, while the related investment risk is transferred to the reinsurer. Under GAAP accounting these funds withheld and modified coinsurance contracts create embedded derivatives for both the ceding company and the reinsuring company, and each embedded derivative must be measured at fair value. The valuation of an embedded derivative is sensitive to the market environment, including credit spreads of the assets held by the ceding insurer, and can generate significant volatility depending on market conditions. Changes in the fair value of embedded derivatives are recorded in investment related gains/(losses) on the consolidated statements of income.

Global Atlantic assumes certain policy risks written by other insurance companies via reinsurance that may be on a funds withheld or modified coinsurance basis. In these arrangements, Global Atlantic is subject to the investment performance on the withheld assets, although Global Atlantic does not directly control them. Global Atlantic helps to set, and monitor compliance with, the investment guidelines followed by the applicable ceding company. However, to the extent that such investment guidelines are not appropriate, or to the extent that the ceding companies do not adhere to such guidelines, Global Atlantic's risk of loss could increase, which could materially adversely affect its GAAP results, financial condition and results of operations. Global Atlantic also cedes certain policy risks to third party reinsurers on a funds withheld coinsurance basis. These arrangements may generate significant volatility in Global Atlantic's net income under GAAP.

***We could be forced to sell investments at a loss to cover policyholder benefits, surrenders, withdrawals, recaptures or collateralization requirements of Global Atlantic's reinsurance commitments or other events.***

Many of the products in Global Atlantic's in-force book allow policyholders to withdraw their funds, also referred to as a surrender, under defined circumstances. In addition, certain of Global Atlantic's reinsurance agreements include provisions requiring that under certain circumstances Global Atlantic provides collateral to support performance of its reinsurance commitments, including trust balances. Global Atlantic's operating subsidiaries manage their liabilities and configure their investment portfolios to provide and maintain sufficient liquidity to support anticipated withdrawal demands, surrenders, contract benefits and maturities.

While Global Atlantic's operating subsidiaries own a significant amount of liquid assets, a portion of their assets are considered less liquid. Unanticipated withdrawal or surrender activity or liquidity demands in connection with recaptures or collateralization requirements could, under some circumstances, require Global Atlantic's operating subsidiaries to dispose of assets on unfavorable terms, which could have a material adverse effect on Global Atlantic's business, results of operations and financial condition. Moreover, reinsurance agreements may provide for recapture rights on the part of Global Atlantic's ceding company clients, and a substantial portion of Global Atlantic's reinsurance agreements require that Global Atlantic hold or provide collateral to support performance of Global Atlantic's reinsurance commitments. See "—Certain of Global Atlantic's reinsurance agreements contain triggers that permit the reinsurance client to recapture some or all of the reinsured portfolio, which, if triggered, may have a material adverse effect on Global Atlantic's business, results of operations and financial condition." We may be forced to sell investments as a result of a recapture of its reinsurance business or as a result of the need to hold additional collateral that meets the associated investment guidelines, which could have a material adverse effect on Global Atlantic's business, results of operations and financial condition.

Further, the SEC recently stated that it intends to apply Rule 15c2-11 to fixed income markets. The requirements of the rule could restrict the ability of market participants to publish quotations for applicable fixed income securities after January 4, 2025. This change could have a material and adverse impact on Global Atlantic's privately placed fixed maturity securities as well as on Global Atlantic's investments or ability to invest in privately placed fixed maturity securities.

***Global Atlantic holds a significant portion of its reinsurance assets in trust, which may restrict Global Atlantic's ability to invest those assets and also may permit the ceding company to withdraw those assets from the trust in certain circumstances.***

In certain reinsurance transactions where Global Atlantic is the reinsurer, it must provide collateral to the ceding company. State regulation and the ability of Global Atlantic insurance subsidiaries to obtain or maintain regulatory designation as a certified or reciprocal jurisdiction reinsurer impact the amount of collateral Global Atlantic must provide. A significant portion of the collateral that Global Atlantic provides to its reinsurance clients is provided in the form of assets held in a trust for the benefit of the counterparty. Global Atlantic's obligation to hold assets in trust restricts its ability to use such assets to support liquidity for other business purposes. Global Atlantic's investment of assets held in trust is restricted based on the terms of the trust agreement and associated investment guidelines. As such, Global Atlantic may not have flexibility to invest such assets as it otherwise might, and Global Atlantic's investment returns on such assets may therefore be less than if they were not held in trust. In addition, in certain circumstances the ceding company may be allowed to withdraw assets from the trust if Global Atlantic fails to pay amounts due under the applicable reinsurance agreement.

***Certain of Global Atlantic's reinsurance agreements contain triggers that permit the reinsurance client to recapture some or all of the reinsured portfolio, which, if triggered, may have a material adverse effect on Global Atlantic's business, results of operations and financial condition.***

Certain of Global Atlantic's reinsurance agreements contain triggers that if breached may result in the reinsured party having the right to recapture the reinsured business or terminate the reinsurance agreement. A recapture trigger permits the ceding company to reassume under certain circumstances all or a portion of the risk ceded to Global Atlantic. For reinsurance transactions in which the ceding company cedes all or a portion of the risk to Global Atlantic, Global Atlantic's reinsurance agreements typically include a recapture right that is triggered if, for example, Global Atlantic fails to maintain certain minimum levels of capitalization or certain minimum levels of reserves to support the business reinsured. These reinsurance agreements also typically include provisions that provide for termination of the agreement and recapture of the business upon the occurrence of insolvency, rehabilitation, non-payment of amounts due, material breach of contract provisions or failure to provide the ceding company with the ability to take reserve credit. The economic, financial and liquidity impact from the loss of the recaptured business, in addition to Global Atlantic's economic hardships at the time of recapture, may have a material adverse effect on Global Atlantic's business, results of operations and financial condition.

***The determination of the amount of impairments and allowances for credit losses recognized on Global Atlantic's investments is highly subjective and could materially affect its results of operations or financial condition.***

The determination of the amount of impairments and allowances for credit losses is based upon Global Atlantic's periodic evaluation and assessment of known and inherent risks associated with the respective asset class and the specific investment being reviewed. Such evaluations and assessments are revised as conditions change and new information becomes available. Management updates its evaluations regularly and reflects changes in allowances and impairments in its financial results as such evaluations are revised. Impairments result in a non-cash charge to earnings during the period in which the impairment charge is taken. Changes in allowances for credit losses can result in either a charge or credit to earnings.

For example, an allowance is recognized on Global Atlantic's fixed maturity securities when the fair value of the security is less than its amortized cost basis and credit related losses are deemed to have occurred. The determination of the allowance requires assessment of the security's expected future cash flows, which depend on a variety of macroeconomic factors and security-specific considerations. Similarly, the determination of the allowance on Global Atlantic's mortgage and other loan receivables requires an

assessment of expected credit losses that considers current, historical and forecasted macroeconomic data and loan-specific factors. As expectations change based on macroeconomic data and individual investment considerations, the associated allowance for credit losses can be adjusted, up or down, and such change may be material.

There can be no assurance that management has accurately determined the amount of impairments and allowances for credit losses recognized in Global Atlantic's financial statements and their potential impact on regulatory capital. Furthermore, additional impairments and allowance provisions may be taken in the future, which could have a material adverse effect on Global Atlantic's business, results of operations and financial conditions.

**Global Atlantic's membership in Federal Home Loan Banks subjects Global Atlantic to potential liquidity and other risks.**

Global Atlantic's U.S. insurance subsidiaries are each members of one of the Federal Home Loan Banks of Des Moines, Indianapolis and Boston, which allows those companies to borrow against certain of their investments, such as commercial mortgage loans, eligible under the applicable Federal Home Loan Bank definition to be posted as collateral. If those sources of borrowing by those companies were to no longer be available to them, or if the Federal Home Loan Banks issue a capital call on the preferred shares owned by Global Atlantic's insurance companies, the liquidity of such insurance subsidiaries could be materially adversely affected. The Federal Housing Finance Authority is currently undertaking a review of the Federal Home Loan Banks and their membership. If the applicable insurance subsidiary's creditworthiness falls below the minimum required or if legislative or other political actions cause changes to the Federal Home Loan Bank mandate or to the eligibility of life insurance companies to be members of the Federal Home Loan Bank system, Global Atlantic may lose access to this funding and be required to find other sources to replace it.

**From time to time, Global Atlantic participates in repurchase and reverse repurchase transactions that subject Global Atlantic to liquidity risks.**

Global Atlantic currently has a committed repurchase facility and from time to time participates in a repurchase transaction. Under these repurchase agreements, Global Atlantic sells fixed income securities to third-party counterparties,

primarily major brokerage firms and commercial banks, with a concurrent agreement to repurchase those same securities at a determined future date.

These repurchase agreements are required to be secured by collateral. Throughout the term of the repurchase agreement, Global Atlantic must post cash or securities as collateral to its counterparties equal to Global Atlantic's repurchase obligation plus any applicable over-collateralization amount. On the maturity date of the applicable repurchase agreement, Global Atlantic must pay the repurchase price, or Global Atlantic and its counterparty must agree to extend the applicable repurchase agreement by entering into a new repurchase agreement. If the value of the securities posted as collateral declines below the repurchase price plus any applicable over-collateralization amount, Global Atlantic will need to post additional cash or securities as collateral. Global Atlantic's ability to enter into a new repurchase agreement instead of settling a repurchase transaction on the repurchase date may be limited by market conditions. Therefore, Global Atlantic's liquidity may be negatively impacted when it is required to post additional collateral or when it is unable to extend an expiring repurchase agreement by entering into a new repurchase agreement.

In addition, Global Atlantic invests in securities the cash it receives from its repurchase counterparties. Those securities may decline in value during the term of the repurchase agreements. If Global Atlantic sells those securities at a loss, Global Atlantic may not have enough cash to fund the obligation that it has to its counterparties under the repurchase agreements. Under adverse capital market and economic conditions, liquidity may broadly deteriorate, further restricting Global Atlantic's ability to sell the securities and fund the obligation that it has to its counterparties.

Global Atlantic may also from time to time participate in reverse repurchase agreements whereby Global Atlantic purchases fixed income securities from third parties in exchange for cash, with a concurrent obligation by such third parties to repurchase those same securities from Global Atlantic at a determined future date. In the case of default by such third party in a reverse repurchase agreement, Global Atlantic runs the risk that such third party may not repurchase the security when required. In the event of the bankruptcy or other default of such third party in a repurchase agreement, Global Atlantic could experience both delays in liquidating the underlying security and losses, including but not limited to (1) a possible decline in the value of the collateral received from Global Atlantic's counterparties during the period while Global Atlantic seeks to enforce its rights therein, (2) possible subnormal levels of income and lack of access to income during this period and (3) expenses of enforcing Global Atlantic's rights.

**Tax Risks Related to Global Atlantic**

Unless the context otherwise requires, the term "Bermuda insurance subsidiaries" as used in "—Tax Risks Related to Global Atlantic" refers to (1) Global Atlantic Assurance Limited and (2) Global Atlantic Re Limited with respect to any period ending prior to January 1, 2018, the effective date of the election made pursuant to Section 953(d) of the Code to treat Global Atlantic Re as a U.S. corporation for U.S. federal income tax purposes.

**The IRS could contend that Global Atlantic or its non-U.S. subsidiaries are or were engaged in trade or business within the United States and subject to U.S. federal income taxes.**

Certain Global Atlantic subsidiaries, including Global Atlantic Financial Limited ("GAFL") and its Bermuda insurance subsidiaries, are non-U.S. companies that are treated as corporations for U.S. federal income tax purposes. GAFL and its Bermuda insurance subsidiaries have conducted and intend to conduct substantially all of their operations outside the United States and to limit their U.S. contacts with the intention that GAFL and its Bermuda insurance subsidiaries not be treated as engaged in trade or business within the United States. However, there is considerable uncertainty as to when a non-U.S. corporation is engaged in trade or business within the United States, and there can be no assurance that the IRS will not contend that GAFL or its Bermuda insurance subsidiaries, are or were engaged in trade or business within the United States. If GAFL, or any of its Bermuda insurance subsidiaries, were considered to be engaged in trade or business within the United States, such company could be subject to U.S. corporate income taxes and branch profits taxes on the portion of its earnings and profits that is or was effectively connected to such trade or business within the United States. If the IRS were to contend successfully that GAFL, its Bermuda insurance subsidiaries, Global Atlantic or any of its other current or future non-U.S. subsidiaries are or were engaged in trade or business within the United States, Global Atlantic's results of operations and financial condition could be materially adversely affected.

**There is U.S. federal income tax risk associated with reinsurance transactions, intercompany transactions and distributions between U.S. companies and their non-U.S. affiliates.**

The 2017 Tax Act introduced the Base Erosion and Anti-Abuse Tax (the "BEAT") on certain U.S. companies that make deductible payments to related non-U.S. companies in taxable years beginning after December 31, 2017. The BEAT is imposed at a rate of 10% through 2025 and 12.5% thereafter. Under the terms of 2017 Tax Act, the BEAT applies to

"any premium or other consideration" paid or accrued to a related foreign reinsurer. To mitigate the effect of the BEAT, Global Atlantic Re Limited filed an election under Section 953(d) of the Code to treat Global Atlantic Re Limited as a U.S. corporation for U.S. federal income tax purposes effective as of January 1, 2018. The BEAT applies only to related-party transactions with non-U.S. persons and hence would not apply to Global Atlantic's U.S. insurance subsidiaries' affiliate reinsurance transactions with Global Atlantic Re Limited. There can be no assurances that Global Atlantic Re Limited will continue to meet the requirements for an effective 953(d) election or that Global Atlantic will otherwise be successful in mitigating the effect of the BEAT.

In addition, the Code permits the IRS to reallocate, recharacterize, or adjust items of income, deduction or certain other items related to a reinsurance agreement between related parties to reflect the proper "amount, source or character" for each item. Further, the tax treatment of certain aspects of reinsurance ceded to a non-U.S. reinsurer on a funds withheld coinsurance basis is uncertain. If the IRS were successfully to challenge Global Atlantic's intercompany reinsurance arrangements between its subsidiaries or Global Atlantic's tax treatment of funds withheld coinsurance with non-U.S. reinsurers (including Global Atlantic's insurance subsidiaries), Global Atlantic's financial condition and results of operations could be materially adversely affected.

There are significant cross-border transactions in place among Global Atlantic's affiliates, some of which Global Atlantic treats as loans or swaps for tax purposes, and Global Atlantic may expand the scope of its cross-border intercompany transactions in the future. There are also significant cross-border reinsurance transactions in place with non-U.S. third parties. If the IRS were to successfully challenge the tax treatment of these transactions, or if legislation were enacted, or administrative guidance promulgated, that altered the expected tax treatment of such transactions, Global Atlantic's financial condition and results of operations could be materially adversely affected.

Dividends paid by GAFL's direct subsidiaries Global Atlantic Re Limited and Global Atlantic (Fin) Company ("FinCo") to GAFL will be subject to a 30% U.S. federal withholding tax. Therefore, Global Atlantic may be limited in its ability to move cash efficiently between FinCo (and its subsidiaries) and Global Atlantic Re Limited and GAFL.

#### **Changes in U.S. tax law could affect the products that Global Atlantic's subsidiaries sell.**

Many of the products Global Atlantic's subsidiaries sell benefit from one or more forms of tax-favored status under current U.S. federal and state income tax regimes. For example, Global Atlantic's subsidiaries sell and reinsure annuity contracts that allow the policyholders to defer the recognition of taxable income earned within the contract. In addition, current U.S. federal income tax law permits the exclusion from taxation of death benefits paid under life insurance contracts. Changes in U.S. tax laws that alter the tax benefits or treatment of certain products could result in a material reduction in demand for Global Atlantic's subsidiaries' products and could affect policyholder behavior with respect to existing annuity products in ways that are difficult to predict, for example increasing the expected lapse rate or, if the treatment of existing contracts is grandfathered, reducing the rate at which existing contracts are surrendered or rolled over.

In addition, TCJA reduced corporate tax rates and reduced individual tax rates and increased the estate tax exclusion through 2025. Although the Biden administration has proposed raising tax rates and modifying the estate tax exclusion, the current reduced corporate tax rates under TCJA could allow certain of Global Atlantic's competitors to offer more competitively priced products, which could affect Global Atlantic's subsidiaries' ability to attract or retain clients or could reduce the profitability of Global Atlantic's products. In addition, the reduction in individual income tax rates and the increase in the estate tax exclusion under TCJA could result in a material reduction in demand for Global Atlantic's subsidiaries' products and could have a material adverse effect on Global Atlantic's results of operations, financial condition and liquidity.

#### **The IRS may successfully challenge GAFL's status as a non-U.S. corporation for U.S. federal income tax purposes.**

Under U.S. federal income tax law, a corporation is generally considered for U.S. federal income tax purposes to be a tax resident of the jurisdiction of its organization or incorporation. Because GAFL is a Bermuda-incorporated exempted entity, it would generally be classified as a non-U.S. corporation (and, therefore, a non-U.S. tax resident) under these rules. However, Section 7874 of the Code ("Section 7874") provides an exception to this general rule under which a non-U.S. incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal income tax purposes.

On April 1, 2016, Global Atlantic completed a reorganization of GAFL (the "GAFL Reorganization"). Under Section 7874, if GAFL's direct parent owned (within the meaning of Section 7874) 80% or more (by vote or value) of GAFL's common shares after the GAFL Reorganization (the "Section 7874 ownership percentage"), GAFL would be treated as a U.S. corporation for U.S. federal income tax purposes. Based on the terms of the GAFL Reorganization and the rules for determining share ownership under Section 7874, Global Atlantic does not believe that GAFL's direct parent received 80% or more of GAFL's common shares (either by vote or value).

However, the rules under Section 7874 are relatively complex and there is limited guidance regarding their application. In particular, ownership for purposes of Section 7874 is subject to various adjustments under the Code and the U.S. Treasury regulations promulgated thereunder, and there is limited guidance regarding Section 7874. As a result, the determination of the Section 7874 ownership percentage is complex and is subject to uncertainty. There can be no assurance that the IRS will agree with the position that GAFL should not be treated as a U.S. corporation for U.S. federal income tax purposes.

If GAFL were to be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 or for any other reason, GAFL would be subject to substantial additional historic and future U.S. federal income tax liability, including current taxation of all of Global Atlantic's Bermuda insurance subsidiaries' subpart F income and global intangible low-taxed income, as defined under Section 951A(b) of the Code, which could have a material adverse effect on Global Atlantic's financial condition and results of operations.

#### **Section 7874 may limit Global Atlantic's ability to utilize certain U.S. tax attributes or otherwise adversely affect GAFL's tax position and may limit GAFL's flexibility to engage in acquisition transactions.**

As a result of the GAFL Reorganization, Section 7874 will limit the ability of Global Atlantic's U.S. holding company and its U.S. affiliates to utilize certain U.S. tax attributes (including net operating losses and certain tax credits) to offset, during the ten-year period following the GAFL Reorganization, their U.S. taxable income, or related income tax liability, resulting from certain (1) transfers to related foreign persons of stock or other properties of Global Atlantic's U.S. holding company and its U.S. affiliates, and (2) income received or accrued from related foreign persons during such period by reason of a license of any property by Global Atlantic's U.S. holding company and its U.S. affiliates.

Future potential changes to the tax laws could result in the application of certain adverse U.S. federal income tax rules to GAFL and its U.S. affiliates as a result of the GAFL Reorganization. Any changes could have prospective or retroactive application, and may apply even though the GAFL Reorganization has been consummated. In addition, U.S. Treasury regulations could limit GAFL's flexibility to engage in acquisition transactions involving U.S. targets.

***The effect of Bermuda's commitment to the OECD to eliminate harmful tax practices is uncertain and could adversely affect Global Atlantic's tax status in Bermuda.***

The effect of Bermuda's commitment to the OECD to eliminate harmful tax practices is uncertain and could adversely affect Global Atlantic's tax status in Bermuda. The OECD has published reports and launched a global dialogue among member and non-member countries on measures to limit harmful tax competition. These measures are largely directed at counteracting the effects of income tax havens and preferential income tax regimes in countries around the world. According to the OECD, Bermuda is a jurisdiction that has substantially implemented the internationally agreed tax standard and as such is listed on the OECD "white list." However, Global Atlantic is not able to predict whether any future changes will be made to this "white list" classification or whether any such changes will subject Global Atlantic and its Bermuda-domiciled subsidiaries to additional taxes. See "Risks Related to Our Business—Changes in relevant tax laws, regulations or treaties or an adverse interpretation of these items by tax authorities could adversely impact our effective tax rate and tax liability" for discussions of the OECD's BEPS project.

***Global Atlantic is subject to the risk that Bermuda tax laws may change and that GAFL may become subject to new Bermuda taxes following the expiration of current exemptions after 2035.***

The Bermuda Minister of Finance, under Bermuda's Exempted Undertakings Tax Protection Act 1966, as amended, has provided written assurance that if any legislation is enacted in Bermuda that would impose tax on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax will not be applicable to GAFL or any of its operations or common shares, debentures or other obligations until March 31, 2035, except insofar as such tax applies to persons ordinarily resident in Bermuda or to any taxes payable by GAFL in respect of real property owned or leased by GAFL in Bermuda. Similar assurances have been provided to each of GAFL's Bermuda-domiciled subsidiaries. Given the limited duration of the Bermuda Minister of Finance's assurances, Global Atlantic cannot provide any assurances that GAFL or its Bermuda-domiciled subsidiaries will not be subject to any Bermuda tax after March 31, 2035.

***Regulatory Risks Related to Global Atlantic***

***Global Atlantic's businesses are heavily regulated across numerous jurisdictions and changes in regulation could reduce Global Atlantic's profitability.***

Global Atlantic's insurance and reinsurance subsidiaries are highly regulated by, among others, insurance regulators in the United States and Bermuda, and changes in regulations affecting Global Atlantic's businesses may reduce Global Atlantic's profitability and limit its growth.

Global Atlantic has insurance and reinsurance subsidiaries that operate in all 50 U.S. states, the U.S. Virgin Islands and the District of Columbia, as well as Bermuda. Global Atlantic's operations in each of these jurisdictions are subject to varying degrees of regulation and supervision. The laws and regulations of the jurisdictions in which Global Atlantic's insurance and reinsurance subsidiaries are domiciled or may be deemed commercially domiciled may require these companies to, among other things, maintain minimum levels of statutory capital, surplus and liquidity, meet solvency standards, submit to periodic examinations of their financial condition, and restrict payments of dividends and distributions of capital. Global Atlantic's insurance and reinsurance subsidiaries also are subject to laws and regulations that may restrict the ability of these companies to write insurance and reinsurance policies, make certain types of investments and distribute funds. Offering new products or offering products in additional jurisdictions will also subject Global Atlantic to additional regulation and compliance requirements. With respect to investments, Global Atlantic's insurance and reinsurance subsidiaries must comply with applicable regulations regarding the type and concentration of investments it may make. These restrictions are set forth in investment guidelines that KKR's investment management subsidiary must comply with when providing investment management to these Global Atlantic entities. These restrictions may limit Global Atlantic's ability to invest and KKR's ability to earn fees on those investments. In addition, Global Atlantic's insurance and reinsurance subsidiaries are subject to laws and regulations governing affiliate transactions. The investment management agreements between the KKR investment manager and Global Atlantic entities were approved by applicable insurance regulators, and any changes of such agreements, including with respect to fees, must receive applicable approval. These affiliate transaction rules are particularly important to Global Atlantic given (1) its relationship with KKR and (2) the fact that its business strategy involves reinsuring business among its subsidiaries.

Global Atlantic believes it is crucial to establish and maintain good working relationships with the various regulatory authorities having jurisdiction over its businesses. If those relationships and that reputation were to deteriorate, Global Atlantic's businesses could be materially adversely affected. For example, Global Atlantic requires various consents and approvals from its regulators, both with respect to transactions Global Atlantic enters into and in the ordinary course of the conduct of its businesses. If Global Atlantic fails to maintain good working relationships with its regulators, it may become more difficult or impossible for Global Atlantic to obtain those consents and approvals, either on a timely basis or at all.

In addition to the regulations of the jurisdictions where Global Atlantic's insurance subsidiaries are domiciled, Global Atlantic also must obtain licenses to sell insurance in other states and U.S. jurisdictions. Global Atlantic's non-U.S. insurance subsidiaries have and may obtain certified reinsurer and reciprocal jurisdiction reinsurer status in various U.S. states. Most state regulatory authorities are granted broad discretion in connection with their decisions to grant, renew or revoke licenses and approvals that are subject to state statutes. If Global Atlantic is unable to renew the requisite licenses and obtain the necessary approvals or otherwise does not comply with applicable regulatory requirements, the insurance regulatory authorities could stop, or temporarily suspend Global Atlantic from conducting some or all of its operations as well as impose fines.

At the United States federal level, the Dodd-Frank Act established the Federal Insurance Office ("FIO") within the U.S. Department of the Treasury to monitor all aspects of the insurance industry and of lines of business other than certain health insurance, certain long-term care insurance and crop insurance. Although the FIO currently does not directly regulate the insurance industry, FIO does monitor and scrutinize developments in the industry. As required under the Dodd-Frank Act, the Director of the FIO has submitted a report to Congress regarding how to modernize and improve the system of insurance regulation in the United States, another report on the impact of Part II of the Nonadmitted and Reinsurance Reform Act of 2010, and a third report on the global reinsurance market and the regulation of reinsurance. Moreover, FIO's 2021 and 2022 annual reports identify potential risks related to private equity ownership of life insurers. The FIO Director has been called to testify before Congressional committee hearings. Such reports could continue to increase scrutiny of the industry and ultimately lead to changes in the regulation of insurers and reinsurers in the United States, which could negatively impact Global Atlantic's business and financial results.

All U.S. states allow reinsurers from approved non-U.S. jurisdictions, including for example Bermuda, to apply for reciprocal reinsurer status. A reinsurer with reciprocal reinsurer status is not required to post collateral to a U.S.-based ceding insurer for that ceding insurer to obtain credit in its statutory financial statements for that reinsurance. Global Atlantic cannot predict the impact of the removal of collateral requirements for reciprocal jurisdiction reinsurers in certain states may have on Global Atlantic's business, including its competitiveness in reinsurance transactions.



Regulations applicable to Global Atlantic and interpretations and enforcement of such regulations may change. Insurance regulators have increased their scrutiny of the insurance regulatory framework in the United States, and some state legislatures have considered or enacted laws that alter, and in many cases increase, state authority to regulate insurance holding companies and insurance and reinsurance companies. Regulators have changed statutory accounting requirements to increase required disclosure to state insurance regulators of affiliates and related party transactions. The NAIC and state insurance regulators are increasingly focused on the relationships between private equity firms and insurers. As noted above, the NAIC has adopted the NAIC List, which consists of regulatory considerations that pertain to the ability of state insurance regulators to effectively monitor the solvency of an insurer strategically partnered with private equity and to assess risks faced by such insurer's holding company system. The NAIC prepared referrals to certain NAIC working groups so that the regulatory considerations set forth in the NAIC List can be further evaluated. These actions signify increased scrutiny of insurance companies strategically partnered with private equity firms and the potential for additional regulation. Global Atlantic is unable to predict whether, when or in what form and what impact such regulatory changes will have on its business.

In February 2020, Bermuda was moved to the EU's "whitelist" of cooperative tax jurisdictions having delivered on the commitments made to the EU in 2019 to further enhance its regulatory and transparency framework. The European Commission has proposed sanctions against non-cooperative tax jurisdictions, including restrictions on certain European sovereign wealth funds channeling funds through entities domiciled in non-cooperative jurisdictions. If, in the future, Bermuda's classification changes and Bermuda is included on the EU's noncooperative jurisdictions list, the ability of certain European sovereign wealth funds (and the willingness of other European members) to invest in Global Atlantic's business may be limited as a result of such sanctions. In the future, individual EU member states may also apply sanctions against non-cooperative jurisdictions. If, in the future, Bermuda's classification changes and Bermuda is included on the non-cooperative jurisdictions list and these or other sanctions are implemented in the future, Global Atlantic cannot guarantee that such sanctions will not have a material and adverse impact on Global Atlantic's business.

The cost of compliance with existing laws and regulations is high and the cost of compliance with any changed, new or additional regulatory requirements could have a significant and negative effect on Global Atlantic's business. Any proposed or future U.S. state, Bermuda or other legislation or regulations, or NAIC initiatives, if adopted, may be more restrictive on Global Atlantic's ability to conduct business than current regulatory requirements, may result in higher costs or increased statutory capital and reserve requirements and could have a material adverse effect on Global Atlantic's insurance subsidiaries' businesses, financial condition and results of operations. Global Atlantic may not be able to comply fully with, or obtain desired exemptions from, any such laws and regulations that govern the conduct of Global Atlantic's business. Failure to comply with, or to obtain desired authorizations and/or exemptions under, any applicable laws could result in restrictions on Global Atlantic's ability to do or expand its business or undertake activities that are regulated in one or more jurisdictions, could impact Global Atlantic's potential growth and could subject Global Atlantic to fines and other sanctions. Global Atlantic also must balance overlapping and potentially conflicting regulations and accounting rules and interpretations thereof (which may also change over time), including in response to changes in the overall business environment. All such changes in the laws or regulations to which Global Atlantic's insurance and reinsurance subsidiaries are subject, or in the interpretations thereof, could have a material adverse effect on Global Atlantic's business, results of operations and financial condition.

**Capital regulations applicable to Global Atlantic's insurance subsidiaries may impose meaningful limitations on Global Atlantic's business.**

Insurance companies are subject to minimum capital and surplus requirements that vary by the jurisdiction where the insurance company is domiciled and are generally subject to change over time. In the United States, Global Atlantic's insurance subsidiaries are subject to RBC standards and other minimum capital and surplus requirements imposed by state laws. The RBC standards are based upon the Risk-Based Capital for Insurers Model Act promulgated by the NAIC as adopted by Global Atlantic's domiciliary insurance regulators. Global Atlantic's Bermuda insurance subsidiaries are subject to Bermuda Solvency Capital Requirements ("BSCR") standards and other minimum capital and surplus requirements imposed by the BMA. See "—Global Atlantic's Bermuda insurance subsidiaries are subject to regulation by the BMA that may restrict their operations." Any failure to meet applicable requirements or minimum statutory capital requirements could subject Global Atlantic to examination or corrective action by regulators, including limitations on Global Atlantic's writing additional business or engaging in finance activities, supervision, receivership or liquidation. New statutory accounting guidance or change or clarifications in interpretations of existing guidance—including but not limited to any new guidance, changes or clarifications resulting from the recommendations of the NAIC's Securities Valuation Office with respect to capital required for holding all tranches of a structured security—may adversely impact Global Atlantic's insurance subsidiaries or cause them to increase their required capital.

RBC ratios of U.S. retirement and life companies like Global Atlantic are impacted by factors beyond Global Atlantic's control, such as the statutory federal tax rate. Future changes in federal corporate tax rates could similarly impact RBC ratios. In addition, the NAIC from time to time considers changes to factors used in calculating RBC. The NAIC is pursuing a variety of reforms to its RBC framework, which could increase the capital requirements for Global Atlantic's U.S. insurance subsidiaries. A new longevity risk charge was adopted in 2021. Changes to risk charges for bonds and real estate were also adopted for 2021. Changes to the charge for mortality risk are currently under consideration and could be adopted in the near future. The NAIC is also considering revisions to the capital charges for asset-backed securities, in particular CLOs, with a focus on increasing the capital charge on the residual or equity tranches of these securitizations. The NAIC has also developed a group capital calculation. It is unclear how the group capital calculation will interact with existing capital requirements for insurance companies in the United States and with international capital standards. In Bermuda, the BMA continues to review the BSCR on an ongoing basis, including to maintain its equivalency with Solvency II. Global Atlantic cannot predict the likelihood of changes to the capital requirements to which it is subject, whether such changes will have an impact on RBC ratios or whether Global Atlantic will need to raise and hold additional capital in response to such changes and any such changes may have a material and adverse effect on Global Atlantic's capital, business condition and results of operations.

Moreover, the determination of RBC is based on the NAIC designation of the assets in which Global Atlantic invests. NAIC designation for certain investments depends on the applicable NRSRO rating. If there are changes in an NRSRO's methodology that impacts the rating of a certain type of asset or changes or clarifications to interpretations of such methodology or related statutory accounting guidance, Global Atlantic's ability to invest in such assets may be impacted and Global Atlantic's investment results may be adversely impacted or Global Atlantic may need to increase its required capital.

**Changes to comply with new and potential laws or regulations which impose fiduciary or best interest standards in connection with the sale of Global Atlantic's products could materially increase Global Atlantic's costs, decrease its sales and result in a material adverse impact on its business.**

Regulators continue to propose or adopt fiduciary rules, best interest standards and other similar laws and regulations applicable to the sale of retirement and life insurance products. These rules, standards, laws and regulations generally require advisers providing investment recommendations to act in the client's best interest or put the client's interest ahead of their own interest. Global Atlantic faces uncertainty regarding the adoption of these rules and regulations, including that the SEC, Department of Labor and state insurance departments may adopt potentially conflicting or overlapping standards. These new and proposed regulations may fundamentally change the way financial advisors, agents, and



financial institutions do business. These rules may impact the way in which Global Atlantic's products are marketed and offered by its distribution partners, which could have an impact on customer demand, impact the margins Global Atlantic makes on its products or increase compliance costs and burdens.

These rules and potential rules could cause a material decline in sales of Global Atlantic's products in the individual channel, such as variable annuities and fixed-indexed annuities. Regulators in enforcement actions and private litigants could also find it easier to attempt to extend fiduciary status to, or to claim fiduciary or contractual breach by, advisors who would not be deemed fiduciaries under current regulations. Such laws and regulations may have a material adverse impact on the industry and may have a material adverse impact on Global Atlantic's business.

***Global Atlantic's Bermuda insurance subsidiaries are subject to regulation by the BMA that may restrict their operations.***

The BMA regulates and supervises each of Global Atlantic's Bermuda insurance subsidiaries on a stand-alone basis in Bermuda. The Bermuda Insurance Act and the policies of and/or other codes issued by the BMA relevant to insurers require each of Global Atlantic's Bermuda reinsurance subsidiaries to, among other requirements, maintain a minimum level of capital and surplus; satisfy solvency standards; comply with restrictions on dividends; obtain prior approval or provide notification to the BMA of changes in shareholder controller shares; make financial statement filings; prepare a financial condition report; maintain a head office in Bermuda from which each of Global Atlantic's Bermuda insurance subsidiaries' insurance business will be directed and managed; and allow for the performance of certain periodic examinations of its financial condition. These statutes and regulations may restrict Global Atlantic's ability to write insurance and reinsurance policies, distribute funds and pursue its investment strategy. Global Atlantic's Bermuda insurance subsidiaries will be exposed to any changes in the political environment in Bermuda.

The Bermuda insurance and reinsurance regulatory framework is subject to scrutiny from many jurisdictions. As a result of such overseas scrutiny, the BMA has implemented and imposed additional requirements on the licensed insurance companies it regulates to achieve equivalence under Solvency II, the solvency regime applicable to the EU insurance sector. As such, Bermuda's reinsurance industry operates in a legal and regulatory environment that is deemed to be equivalent with that of the EU. The BMA's additional requirements resulting from Solvency II equivalence include enhanced solvency and governance requirements imposed on insurers and reinsurers. As part of the additional requirements, the BMA has also established a group solvency framework that could further enhance the required capital and solvency requirements if the BMA is deemed to be the group regulator. There is a risk that if Solvency II were amended in any way, Bermuda may be required to amend its regulatory regime to maintain its equivalence under Solvency II, which could lead to changes in the regulatory regime administered by the BMA.

The BMA continues to consider further revisions to the Bermuda capital ratio, called BSCR, and may propose further updates, to certain aspects of the EBS Framework. Any such updates may materially increase the capital Global Atlantic's Bermuda insurance subsidiaries must hold.

Any material changes or failures with respect to the above could have a material adverse effect on Global Atlantic's Bermuda business.

***Global Atlantic may not be able to mitigate the reserve strain associated with statutory accounting rules, potentially resulting in a negative impact on Global Atlantic's capital position or in a need to increase prices and/or reduce sales of term or universal life products.***

The application of certain statutory accounting rules for term life insurance policies with long-term premium guarantees and universal life policies with secondary guarantees requires Global Atlantic to maintain reserves at a level that exceeds what Global Atlantic's insurance subsidiaries' actuarial assumptions for the applicable business would otherwise require. Global Atlantic has special purpose financial captive insurance company subsidiaries ("captives") domiciled in Vermont and Iowa that facilitate the financing of the redundant reserve requirements associated with these statutory accounting rules. These arrangements are subject to review by state insurance regulators and rating agencies.

Further changes in such statutory accounting rules will likely make it difficult for Global Atlantic to establish new captive financing arrangements on a basis consistent with its current captives. As a result of these restrictions on financing redundant reserves, the implementation of new captive structures in the future may be less capital-efficient, may lead to lower product returns and/or increased product pricing, or may result in reduced sales of certain products.

Certain of the reserve financing facilities Global Atlantic has put in place will mature prior to the run-off of the liabilities they support. As a result, Global Atlantic cannot provide any assurances that it will be able to continue to implement actions either to mitigate the strain of redundant reserves on future sales of term and universal life insurance products or maintain collateral support related to Global Atlantic's captives or existing third-party reinsurance arrangements to which one of Global Atlantic's captive reinsurance subsidiaries is a party. If Global Atlantic is unable to continue to implement those actions or maintain existing collateral support, it may be required to increase statutory reserves or incur higher operating costs than currently anticipated.

It is also unclear what additional actions and regulatory changes will result from the continued scrutiny of captive reinsurers and reform efforts by the NAIC and other regulatory bodies. The NAIC is evaluating changes to accounting rules regarding surplus notes with linked assets, a structure used in certain captive reserve financing transactions, and Global Atlantic is monitoring for any changes that may impact its statutory financial statements. If state insurance regulators determine to restrict Global Atlantic's use of captive reinsurers, it could require Global Atlantic to increase statutory reserves, incur higher operating or tax costs or reduce sales. If Global Atlantic is unsuccessful or unable to finance these noneconomic reserves, its competitiveness, capital and financial position and results of operations may be adversely affected.

***Insurance supervisors in the United States or elsewhere may review Global Atlantic's activities and assert that its Bermuda insurance subsidiaries are subject to additional licensing requirements.***

Global Atlantic's Bermuda insurance subsidiaries are subject to regulation and supervision in Bermuda by the BMA. Global Atlantic cannot provide any assurances that insurance supervisors in the United States or elsewhere will not review Global Atlantic's activities and assert that its Bermuda insurance subsidiaries are subject to a U.S. jurisdiction's requirements. In addition, Global Atlantic's Bermuda insurance subsidiaries may be subject to indirect regulatory requirements imposed by jurisdictions that may limit Global Atlantic's ability to provide reinsurance. For example, Global Atlantic's Bermuda insurance subsidiaries' ability to write reinsurance may be subject, in certain cases, to arrangements satisfactory to applicable supervisory bodies. Regulatory scrutiny or proposed legislation and regulations may have the effect of imposing additional requirements upon, or restricting reinsurance from U.S. insurers to non-U.S. insurers, in particular between affiliated insurance companies. Reinsurance between Global Atlantic's U.S. and Bermuda insurance subsidiaries is subject to approval by the applicable U.S. domiciliary state insurance department, and there can be no guarantee such approval will be obtained. Furthermore, Global Atlantic Re Limited reinsures substantially all of Global Atlantic's variable annuity business. If Global Atlantic Re Limited were no longer able to reinsure such business or if Global Atlantic had to recapture variable annuity business reinsured to Global Atlantic Re Limited due to changes in laws or regulations applicable to Global Atlantic Re Limited, Global Atlantic

would likely experience increased fluctuations in its RBC ratio attributable to the sensitivity of variable annuities to changes in equity and interest rate markets. A loss of or inability to obtain reciprocal or certified reinsurer status for Global Atlantic's non-U.S. insurance companies may result in requiring additional collateral to be posted with respect to Global Atlantic's existing reinsurance agreements, which may have a material adverse effect on Global Atlantic's business.

If in the future Global Atlantic's Bermuda insurance subsidiaries were to become subject to regulation under the laws of any state in the United States or the laws of the United States or of any other country, Global Atlantic may consider various alternatives to or restructuring of its operations. If Global Atlantic attempts to license its Bermuda insurance subsidiaries in another jurisdiction, for instance, Global Atlantic may not be able to do so and the modification of the conduct of its business or the noncompliance with insurance statutes and regulations could significantly and negatively affect Global Atlantic's business and results of operations.

**Changes in regulations relating to reserves, such as implementation of principle-based reserving, could adversely impact Global Atlantic's results of operations.**

Under principle-based reserving, reserves for life insurance products are no longer required to remain constant and may be updated over time. As a result, principle-based reserving may cause fluctuations to the amount of statutory reserves held. The NAIC is developing a new principle-based approach for fixed annuities that, if implemented, could result in higher statutory reserves and may cause greater fluctuations in the amount of statutory reserves held. There can be no guarantee as to whether these changes will be implemented or their impact on Global Atlantic's reserves.

**Failures elsewhere in the insurance industry could obligate Global Atlantic to pay assessments through guaranty associations, and proposed changes to life insurance guaranty associations could result in increased assessments.**

All 50 U.S. states, the District of Columbia and the U.S. Virgin Islands have insurance guaranty association laws that require insurance companies doing business within those jurisdictions to participate in various types of guaranty associations or other similar arrangements. The laws are designed to protect policyholders from losses under insurance policies issued by insurance companies that become impaired or insolvent. Typically, these associations levy assessments, up to prescribed limits, on member insurers on the basis of the member insurer's proportionate share of the business in the relevant jurisdiction in the lines of business in which the impaired or insolvent insurer is engaged. Some jurisdictions permit member insurers to recover assessments that they paid through full or partial premium tax offsets, usually over a period of years. It is possible that a large insolvency could require extraordinary assessments on Global Atlantic's insurance subsidiaries. Global Atlantic cannot predict the amount, nature or timing of any future assessments or legislation, any of which could have a material and adverse impact on Global Atlantic's results of operations and financial condition.

For purposes of guaranty association assessments, long-term care insurance is typically classified as a health insurance product. In December 2017, the NAIC adopted amendments to the Life and Health Insurance Guaranty Association Model Act to provide a fifty-fifty split between life and health insurers for future long-term care insolvencies. Most states have adopted legislation to codify the NAIC changes into law, and more states are expected to propose legislation. If these changes become law, the effect may be an increase in future assessments against life insurers such as Global Atlantic's insurance subsidiaries.

## ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

## ITEM 1C. CYBERSECURITY

### Cybersecurity Governance

KKR has a Chief Information Security Officer (the "KKR CISO"), who leads an information security team (the "KKR information security team") that is responsible for information security at KKR's asset management business, including its cybersecurity strategy and program, which includes, among other things, annual employee training about cybersecurity risks and new employee onboarding about KKR's security policies. The KKR information security team's mandates can be broadly grouped into three categories: (i) operations and engineering, (ii) threat detection and response and (iii) governance.

The KKR information security team members have a variety of relevant skill sets and expertise. For example, prior to joining KKR, KKR's CISO was the CISO at another large financial institution where he was responsible for their global information security program. KKR's CISO also has prior experience in various information security roles, including security architecture, application security, engineering and operations. He holds a Bachelor of Science in computer science from the New York University Polytechnic School of Engineering, is a Certified Information Systems Security Professional (CISSP) and holds a Series 99 – Operations Professional Exam certification. In addition, KKR information security team members have various backgrounds in information security, including in financial services and critical infrastructure, and the team maintains various levels of certifications – including CISSP, GIAC security operations certification, certified information security manager, and other certifications focused on specific technologies.

The KKR CISO chairs the technology and information security risk committee for KKR's asset management business, which consists of employees from the firm's technology group and other groups, including risk, legal and compliance. The technology and information security risk committee is responsible for overseeing the cybersecurity risk environment for KKR's asset management business, which includes identifying and monitoring KKR's technology risks, including those related to information security, business disruption, fraud and privacy related risks, and also promoting cybersecurity awareness at the firm. The technology and information security risk committee reports to KKR's risk and operations committee, which consists of senior level employees of KKR who focus on KKR's overall operations and enterprise risk management, including the Chief Operating Officer, Chief Compliance Officer, Chief Legal Officer and Chief Financial Officer. Periodically, including at least annually and more often as circumstances may require, management will present to the Audit Committee and the Risk Committee of our Board of Directors on various topics relating to KKR's technology risks, including KKR's cybersecurity program (including the results of an annual cybersecurity table top exercise), cybersecurity issues (including those relating to data protection, insider threats, regulatory changes, and geopolitical cyber threat management), and risk management (including the results of periodic technology audits).

KKR also has a Chief Information Security Officer dedicated to our insurance business (the "GA CISO"), who has more than 20 years of experience in various information security and technology roles. The GA CISO leads an information security team that is focused on overseeing the cybersecurity strategy and program for Global Atlantic. The GA CISO reports periodically, including at least annually and more often as circumstances may require, to the risk committee of Global Atlantic's board of directors (whose members include non-executive directors unaffiliated with KKR) and members of KKR's risk and operations committee. The GA CISO also provides ad hoc reporting to Global Atlantic's

management-level committees and Global Atlantic's board of directors and its risk committee. Material information affecting our insurance business is also reported by the GA CISO or his or her designee to KKR's risk and operations committee, certain members of which would, as appropriate, report such material information to our Board of Directors or its Audit Committee or Risk Committee.

## Cybersecurity Risk Management and Strategy

KKR's asset management business has a cybersecurity incident response plan as a key component of its cybersecurity program, which is generally incorporated as part of our enterprise risk management program. The KKR CISO and KKR's Chief Compliance Officer co-chair a cybersecurity incident response team ("KKR CIRT"), which aims to manage and mitigate the risk and impact of cybersecurity breach events at KKR's asset management business, including those arising from third-party service providers, including those providers that have access to KKR's customer and employee data. Cybersecurity considerations affect the selection and oversight of our third-party service providers. We perform diligence on third parties that have access to our systems, data or facilities.

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Members of the KKR CIRT include members of the firm's legal, technology, compliance, risk, public affairs, fundraising and finance groups. KKR has established a notification decision framework to determine when the KKR CIRT will provide notifications regarding certain cybersecurity incidents, with different severity thresholds triggering notifications to different recipient groups, including the risk and operations committee, senior members of management, and our Board of Directors or its committees.

The KKR information security team undertakes a variety of measures to monitor and manage the cybersecurity risks of KKR's asset management business. For example, the KKR information security team monitors our technology infrastructure with tools designed to detect suspicious behavior. Our technology platforms and applications are designed to enable us to monitor user and network behavior at KKR's asset management business, identify threats using certain analytics, and mitigate attacks across various layers of the enterprise. The KKR information security team conducts regular internal and external audits with third-party cybersecurity experts to identify and evaluate potential weaknesses in our cybersecurity systems. Some of these third-party monitoring functions continue throughout the year while other third-party security experts are periodically retained to audit specific areas of the cybersecurity program. In addition, the KKR information security team conducts periodic phishing simulations, and they also conduct periodic employee training on KKR's security policies and controls and provide other security trainings as part of new employee onboarding.

KKR also has a cybersecurity incident response plan that is specific to our insurance business. The plan sets forth the roles and responsibilities of the Global Atlantic incident response team, which is comprised of Global Atlantic employees representing key business functions at our insurance business. Global Atlantic utilizes several mechanisms to monitor and manage the cybersecurity risks of our insurance business, including to prevent, and prepare to respond to, an incident. This includes maintaining relationships with external incident response organizations, performing periodic cybersecurity risk assessments, overseeing and monitoring risks from cybersecurity threats associated with third-party service providers, and ensuring that Global Atlantic employees complete security awareness training relating to cybersecurity best practices. Global Atlantic also has a cybersecurity notification framework in place to determine when appropriate notifications and escalations are required to be provided to the senior members of Global Atlantic's management, members of Global Atlantic's board of directors and members of KKR's risk and operations committee, certain member of which would, as appropriate, report such information to our Board of Directors or its Audit Committee or Risk Committee.

As of the date of this filing, we do not believe that our business strategy, results of operations or financial conditions have been materially affected by any cybersecurity incidents for the reporting period covered by this report. However, institutions like us, as well as our employees, service providers and other third parties, have experienced information security and cybersecurity attacks in the past and will likely continue to be the target of increasingly sophisticated cyber actors. For a discussion of how risks from cybersecurity threats may affect us, see "Part 1. Item 1A. Risk Factors—Risks Related to Our Business—Cyber-security failures and data security breaches may disrupt or have a material adverse impact on our businesses, operations and investments" in this Annual Report on Form 10-K.

## ITEM 2. PROPERTIES

Our principal executive office is located at 30 Hudson Yards, New York, New York. We also lease space for our other offices in North America, Europe, Asia Middle East, and Australia, Asia-Pacific. We consider these facilities to be suitable and adequate for the management and operations of our business.

## ITEM 3. LEGAL PROCEEDINGS.

For a discussion of KKR's legal proceedings, see the section entitled "Litigation" appearing in Note 25 24 "Commitments and Contingencies" in our financial statements included elsewhere in this report, which is incorporated herein by reference.

## ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

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## PART II

## ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Shares of our common stock are listed on the NYSE under the symbol "KKR."

The number of holders of record of our common stock as of February 24, 2023 February 27, 2024 was 213, 43. This does not include the number of stockholders that hold shares in "street-name" through banks or broker-dealers.

## Dividend Policy

Under our current dividend policy for common stock that we announced on February 7, 2023 February 6, 2024, we expect to pay our common stockholders an annualized dividend of \$0.66 \$0.70 per share of common stock, equal to a quarterly dividend of \$0.165 \$0.175 per share of common stock, beginning with the dividend to be declared with respect to the first quarter of 2023, 2024. On February 7, 2023 February 6, 2024, we declared a regular dividend of \$0.155 \$0.165 per share of common stock under our prior dividend policy for the quarter ended December 31, 2022 December 31, 2023, payable on March 1, 2024 to common stockholders of record as of the close of business on February 16, 2024.

Because we make our investment in our business through a holding company structure and the applicable holding companies do not own any material cash-generating assets other than their direct and indirect holdings in KKR Group Partnership Units, dividends are expected to be funded in the following manner:

- First, KKR Group Partnership will make distributions to holders of KKR Group Partnership Units, which consists of our wholly-owned corporate subsidiaries (one of which acts as the general partner of KKR Group Partnership), KKR Holdings II and KKR Holdings II L.P. ("KKR Holdings II," which is the entity that provides for restricted holdings units under our 2019 Equity Incentive Plan), III, in proportion to their percentage interests in KKR Group Partnership;
- Second, our wholly-owned corporate subsidiaries will distribute to us the amount of any distributions that they receive from KKR Group Partnership, after deducting any applicable taxes; and
- Third, we will distribute to holders of our common stock and Series C Mandatory Convertible Preferred Stock the amount of dividends declared by our Board of Directors from the distributions that we receive from our wholly-owned corporate subsidiaries.

The limited partnership agreement of KKR Group Partnership provides for cash distributions, which are referred to as "tax distributions," to the partners of the partnership if we determine that the taxable income of the partnership will give rise to taxable income for its partners, including holders of restricted holdings units who are limited partners of KKR Holdings II, II and KKR Holdings III. KKR Group Partnership may make tax distributions in the future, from time to time, to provide distributions to pay for any U.S. or non-U.S. tax liabilities of the partners of KKR Holdings II, II and KKR Holdings III.

The declaration and payment of any dividends to holders of our common stock or Series C Mandatory Convertible Preferred Stock holders of any preferred stock which may be issued in the future are subject to the discretion of our Board of Directors, which may change our dividend policy at any time or from time to time, and the terms of our certificate of incorporation. There can be no assurance that dividends will be made as intended or at all or that any particular dividend policy will be maintained. Furthermore, the declaration and payment of distributions and dividends is subject to legal, contractual and regulatory restrictions on the payment of dividends and distributions by us or our subsidiaries, including restrictions contained in our debt agreements, the terms of our preferred stock, and such other factors as the Board of Directors considers relevant including, among others: our available cash and current and anticipated cash needs, including funding of investment commitments and debt service and future debt repayment obligations; general economic and business conditions; our strategic plans and prospects; our results of operations and financial condition; and our capital requirements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity—Sources of Liquidity." In addition, under Section 170 of the DGCL, our Board of Directors may only declare and pay dividends either out of our surplus (as defined in DGCL) or in case there is no such surplus, out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

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### Share Repurchases in the Fourth Quarter of 2022 2023

As of February 6, 2024, there was approximately \$194 million remaining for further repurchases under KKR's current share repurchase program.

Under our current repurchase program, we are KKR is authorized to repurchase our its common stock from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing, manner, price and amount of any common stock repurchases will be determined by us KKR in our its discretion and will depend on a variety of factors, including legal requirements, price and economic and market conditions. We expect KKR expects that the program, which has no expiration date, will continue to be in effect until the maximum approved dollar amount has been used. The program does not require us KKR to repurchase any specific number of shares of common stock, and the program may be suspended, extended, modified or discontinued at any time.

In addition to the repurchases of common stock described below, subsequent to May 3, 2018, above, the repurchase program has been is used for the retirement (by cash settlement or the payment of tax withholding amounts upon net settlement) of equity awards issued pursuant to our Equity Incentive Plans representing the right to receive shares of common stock. From October 27, 2015 through December 31, 2022, we paid approximately \$638 million in cash to satisfy tax withholding and cash settlement obligations in lieu of issuing shares of common stock or its equivalent upon the vesting of equity awards representing 23.8 million shares of common stock. Of these amounts, equity awards representing 11.0 million shares of common stock or its equivalent were retired for \$190 million prior to May 3, 2018 and did not count against the amounts remaining under the repurchase program.

The table below sets forth the information with respect to repurchases made by or on behalf of KKR & Co. Inc. or any "affiliated purchaser" (as defined in Rule 10b-18(a)(3) under the Exchange Act) of our common stock for the periods presented. During the fourth quarter of 2022, 2023, no shares of common stock were repurchased and 0.7 million 160,718 equity awards were retired. From inception of the repurchase program in 2015 through December 31, 2022, we have repurchased or retired a total of approximately 74.8 million shares of common stock under the program at an average price of approximately \$26.92 per share.

**Issuer Purchases of Common stock**  
(amounts in thousands, except share and per share amounts)

|                                                        | Total Number of<br>Shares Purchased | Average Price Paid<br>Per Share | Total Number of<br>Shares Purchased as<br>Part of Publicly<br>Announced Plans or<br>Programs | Approximate Dollar<br>Value of Shares that<br>May Yet Be Purchased<br>Under the Plans or<br>Programs <sup>(1)</sup> |
|--------------------------------------------------------|-------------------------------------|---------------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| Month #1<br>(October 1, 2022 to<br>October 31, 2022)   | —                                   | \$ —                            | —                                                                                            | \$ 193,999                                                                                                          |
| Month #2<br>(November 1, 2022 to<br>November 30, 2022) | —                                   | \$ 77,856                       |                                                                                              |                                                                                                                     |
| Month #2<br>(November 1, 2022 to<br>November 30, 2022) | —                                   | \$ —                            | —                                                                                            | \$ 193,999                                                                                                          |
| Month #3<br>(December 1, 2022 to<br>December 31, 2022) | —                                   | \$ 77,856                       |                                                                                              |                                                                                                                     |
| Month #3<br>(December 1, 2022 to<br>December 31, 2022) | —                                   | \$ —                            | —                                                                                            | \$ 193,999                                                                                                          |
| <b>Total through December 31, 2022</b>                 | —                                   | \$ 77,856                       |                                                                                              |                                                                                                                     |
| <b>Total through December 31, 2022</b>                 | —                                   |                                 |                                                                                              |                                                                                                                     |

(1) On February 7, 2023, KKR announced the increase to the total available amount under the repurchase program to \$500 million. The repurchase program does not have an expiration date. Prior to this increase, there was approximately \$78 million remaining under the program as of December 31, 2022.

**ITEM 6. [Reserved]**

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**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion and analysis should be read in conjunction with the consolidated financial statements of KKR & Co. Inc., together with its consolidated subsidiaries, and the related notes included elsewhere in this report. In addition, this discussion and analysis contains forward-looking statements and involves numerous risks and uncertainties, including those described under "Cautionary Note Regarding Forward-looking Statements" and "Risk Factors." Actual results may differ materially from those contained in any forward-looking statements.

**Business Environment**

**Economic and Market Conditions**

Our asset management and insurance businesses are materially affected by the various market and economic conditions of the various countries and financial markets regions in the United States, the EU, China, Japan, which we operate. Market and other countries. Global and regional economic conditions can each be expected to continue to have a substantial impact on our business, financial condition, and results of operations and our business in various ways including the valuations of our investments, our ability that we are unable to exit these investments profitably, our ability to raise capital from investors, and control, including our ability to make new investments.

**Economic Conditions**

During investments, the year ended December 31, 2022, the global economy continued to recover from the impact valuations of the COVID-19 pandemic; however, many countries investments we manage, the amount of investment proceeds we realize when we exit our investments, the timing for such realization activity, our ability to fundraise or to sell our various investment and regions, including insurance products and services, and the level of our capital markets activities, as discussed in the "Risk Factors" section of this Report.

In 2023, the United States showed signs of slowing continued to experience economic activity, potentially indicating the early stages of a recession. Economic activity began to be adversely impacted growth despite monetary policy tightening by the effects Federal Reserve Board in response to high inflation. In Europe, the European Union experienced growth in 2023, albeit at a weaker rate as compared to 2022, and the European Central Bank also raised interest rates in response to high inflation. In Asia, its two largest economies experienced different economic conditions. In Japan, its economy grew in 2023 at a higher rate than in prior periods, and Japan's economy experienced an uptick in inflation. In China, its economy grew in 2023 but at a lower-than-expected rate due to various headwinds, including concerns about the levels of monetary certain government debt and fiscal policy tightening as years of fiscal stimulus from governments and accommodative monetary policy from global central banks began to wane as central banks took measures to combat significant inflationary pressures at multi-decade highs in many major economies around the world. Inflation presented a headwind for many country and regional economies in which we operate. its property sector. The U.S. Federal Reserve Board has continued to signaled that they would likely no longer raise interest rates and has indicated that it is prepared would likely ease monetary policy in 2024, assuming inflation were to take decisive action return close to manage its 2% target. The European Central



Bank stated its intention to keep its key rates at current levels until its inflation including raising would also return to its 2% target. The Bank of Japan stated its intention to continue to maintain low interest rates further until its inflation rate increases more meaningfully. The People's Bank of China pledged its support of the Chinese economy with moderate interest rate cuts and shrinking the size of its balance sheet. As a result of these and other actions by central banks, overall macro conditions began to transition by the fourth quarter of 2022 with less focus on inflation's impact on repricing capital markets and moving towards a period where high rates and inflation began to put significant pressure on corporate profits and consumer balance sheets. By year-end 2022, inflation began to show signs of peaking on a year-over-year basis in the U.S. and increased bank lending. In addition, slowing growth in certain other regions, but remained elevated in absolute terms.

Higher interest rates in conjunction real estate sectors with slower growth or weaker currencies in some emerging market economies have caused, excess near-term supply has negatively impacted and may further cause, the default risk of these countries continue to increase, and this could negatively impact the operations or value of our investments that operate in these regions. Areas that have central bank quantitative easing or tightening campaigns affecting their interest rates relative to the United States could potentially experience further currency volatility relative to the U.S. dollar. Relatedly, foreign exchange rates are often affected by countries' monetary and fiscal responses to inflationary trends. Foreign exchange rates have a substantial impact on the valuations of our investments that are denominated assets in currencies other than such sectors in the U.S. dollar. Currency volatility can also affect our businesses and investments that deal in cross-border trade. Labor disputes, shortages of material and skilled labor, work stoppages and increasing labor costs can also adversely impact us and the assets we manage. Despite various economic headwinds, several near-term.

Several key economic indicators in the U.S., including employment have demonstrated resilience in 2022.

During 2022, the growth in economic activity and demand for goods and services, alongside supply chain complications, contributed to these significant inflationary pressures. Various supply bottlenecks ranging from dynamic zero-COVID policy to shifting Russia-Ukraine supply chains to U.S. domestic semiconductor industry output shortages as a result of restrictions on trade with Chinese semiconductor companies contributed to inflationary pressure throughout much of 2022. In the United States and many other countries, laws designed to protect national security or to restrict foreign direct investment continued to proliferate in 2022, which adversely affected the business and investment environments in various ways. These and related concerns, such as rising interest rates and geopolitical uncertainty in countries such as China, Russia, Belarus and the Ukraine, contributed to substantial market volatility, equity and credit market declines and increased pressures on labor supply.

In the Eurozone, disruptions to European energy markets and Russia's ongoing invasion of Ukraine adversely affected the business environment. The Russia-Ukraine conflict, including the sanctions imposed in response to Russia's invasion of Ukraine, have exacerbated and may further exacerbate these issues and trends globally, including by increasing oil and gas prices and price volatility. Protectionist policies, such as restrictions on exports of food, have also increased globally as a result of Russia's invasion of Ukraine. As of December 31, 2022, we have no investments in any portfolio companies whose executive

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headquarters are located in Russia, Ukraine or Belarus, and we believe that the direct exposure of our investment portfolio to Russia, Ukraine and Belarus is insignificant. In addition, the Chinese economy experienced headwinds related to the ongoing slowdown in China's property sector and the effects of the government's zero-COVID policies. In Japan, the economic recovery from COVID-19 continued, despite higher energy costs and significant volatility in currency markets.

Several relevant key economic indicators in the U.S. and in other countries and areas regions in which our business operates we operate include:

- Inflation, GDP.** The U.S. core consumer price index rose 5.7% on a year-over-year basis as In the United States, real gross domestic product ("GDP") expanded by 2.5% for the year ended December 31, 2023, compared to an expansion of 1.9% for the year ended December 31, 2022. Euro Area real GDP is estimated to have increased by 0.5% for the year ended December 31, 2023, down from 3.4% for the year ended December 31, 2022. In Japan, real GDP is estimated to have increased by 2.0% for the year ended December 31, 2023, up from 5.5% on a year-over-year basis as of December 31, 2021 1.0% growth for the year ended December 31, 2022. Core inflation Real GDP in China was 0.7% on a year-over-year basis as increased by 5.2% for the year ended December 31, 2023, compared to growth of 3.0% reported for the year ended December 31, 2022, down from 1.2% on a year-over-year basis as of December 31, 2021. In Japan, core inflation rose to 1.6% on a year-over-year basis as of December 31, 2022, up from -1.3% on a year-over-year basis as of December 31, 2021. Euro Area core inflation was 5.2% as of December 31, 2022, up from 2.6% as of December 31, 2021.
- Interest Rates, Rates.** The effective federal funds rate set by the U.S. Federal Reserve Board was 5.33% as of December 31, 2023, up from 4.33% as of December 31, 2022. The short-term benchmark interest rate set by the European Central Bank was 4.5% as of December 31, 2023, up from 0.1% 2.5% as of December 31, 2021 December 31, 2022. The Federal Reserve raised interest rates by 75 basis points in November, and 50 basis points in December, leading to increased market volatility. The short-term benchmark interest rate set by the Bank of Japan was -0.1% as of December 31, 2022 December 31, 2023, unchanged from December 31, 2021 December 31, 2022. The short-term benchmark interest rate set by the European Central Bank The People's Bank of China was 2.5% 3.45% as of December 31, 2022 December 31, 2023, up unchanged from 0.0% 3.45% as of December 31, 2021 December 31, 2022.
- GDP, Inflation.** In the United States, real GDP is estimated to have expanded by 2.1% for the year ended The U.S. core consumer price index rose 3.9% on a year-over-year basis as of December 31, 2023, down from 5.7% on a year-over-year basis as of December 31, 2022. Euro Area core inflation was 3.4% as of December 31, 2023, compared to an expansion down from 5.2% as of 5.9% for the year ended December 31, 2021. Real GDP in China is estimated to have increased by 3.0% for the year ended December 31, 2022, compared to growth of 8.4% reported for the year ended December 31, 2021. In Japan, real GDP growth for the year ended core inflation rose to 2.8% on a year-over-year basis as of December 31, 2023, up from 1.6% on a year-over-year basis as of December 31, 2022, is estimated to have been 1.3%. Core inflation in China was 0.6% on a year-over-year basis as of December 31, 2023, down from 2.3% for the year ended December 31, 2021. Euro Area real GDP growth was 3.2% 0.7% as of December 31, 2022, up from 5.3% as of December 31, 2021.
- Unemployment.** The U.S. unemployment rate was 3.7% as of December 31, 2023, up from 3.5% as of December 31, 2022. Euro Area unemployment was 6.4% as of December 31, 2023, down from 3.9% 6.7% as of December 31, 2021 December 31, 2022. The unemployment rate in Japan was 2.4% as of December 31, 2023, down from 2.5% as of December 31, 2022. The unemployment rate in China was 5.5% 5.0% as of December 31, 2022, up from 5.1% as of December 31, 2021. The unemployment rate in Japan was 2.5% as of December 31, 2022 December 31, 2023, down from 2.7% 6.1% as of December 31, 2021. In addition, Euro Area unemployment was 6.5% as of December 31, 2022, up from 7.0% as of December 31, 2021.



## Market Conditions

### Equity, credit, commodity

In 2023, the United States equity markets, generally appreciated on a year-over-year basis, with varying volatility throughout the year, and foreign exchange the U.S. 10-year benchmark treasury yield also fluctuated throughout the year to end at a rate lower at year-end than its peak during the year. European and Japanese equity markets generally appreciated, although Japan less significantly than the United States, on a year-over-year basis, and the Chinese equity markets declined on a year-over-year basis.

Several key financial market indicators in the United States and in other countries and areas regions in which we have made investments each can have a material effect on our financial condition and results of operations.

In our asset management segment, many of our investments are in equities, so a change in global equity prices or in market volatility directly impacts the value of our investments and our profitability as well as our ability to realize investment gains and the receptiveness of fund investors to our investment products. Volatility across global equity and credit markets, alongside shifting liquidity conditions in new issue activity across equity and non-investment grade credit markets, have adversely impacted (and may continue to adversely impact) our financial results and the volume of capital markets activity, the level of transaction fees that our Capital Markets business line is able to earn, the valuation of our portfolio companies, the investment income that we recognize and our ability to deploy our, and our funds', capital. For our investments that are publicly listed and thus have readily observable market prices, global equity market price declines had (and may continue to have) a direct impact on valuation. For many other of our investments, these markets had an indirect materially adverse impact on many of our investment valuations as we typically utilize market multiples as a critical input to ascertain fair value of our investments that do not have readily observable market prices.

In addition, many of our investments are in non-investment grade credit instruments and investment grade credit instruments. Many of our funds invest or have the flexibility to invest a significant portion of their assets in the equity, debt, loans or other securities of issuers that are based outside of the United States. A substantial amount of these investments consist of private equity investments made by our private equity funds. For example, as of December 31, 2022, approximately 50% of the capital invested in those funds was attributable to non-U.S. investments. In our insurance business, a change in equity prices also impacts Global Atlantic's equity-sensitive annuity and life insurance products, including with respect to hedging costs related to and fee-income earned on those products. Our funds, our portfolio companies and Global Atlantic also rely on credit financing and the ability to refinance existing debt. Consequently, any decrease in the value of credit instruments that we have operate include:

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invested in or any increase in the cost of credit financing reduces our returns and decreases our net income. Tightening liquidity conditions in equity and credit capital markets affect the availability and cost of capital for us and our portfolio companies, and the increased cost of credit or degradation in debt financing terms may impact our ability to identify and execute investments on attractive terms.

In our insurance segment, periods of rising or higher interest rates as we are currently experiencing may result in differing impacts on Global Atlantic's business. Periods of rising or higher interest rates can benefit Global Atlantic's results of operations and financial condition, as we generally expect the yield on new investment purchases and income from any floating rate investments held in Global Atlantic's investment portfolio to increase as interest rates rise. Higher interest rates also generally tend to increase the demand for certain of Global Atlantic's products, as the benefits and solutions Global Atlantic can offer to clients may become more attractive, potentially resulting in higher new business volumes. Rising rates are also expected to result in decreases to certain policy liabilities as a result of new accounting guidance which we adopted effective January 1, 2023 (with a transition date of January 1, 2021) for insurance companies that issue or reinsure long-duration contracts such as life insurance and annuities. For a further discussion of this guidance, see Note 2 "Summary of Significant Accounting Policies—Future application of accounting standards" in our financial statements.

Higher interest rates can also have a negative impact on Global Atlantic. For example, higher policyholder surrenders may occur in response to rising interest rates as more attractive products become available to policyholders in a higher rate environment. The majority of our investments at Global Atlantic are in investment grade credit instruments. Sales of those investments at a loss, for example to raise cash to meet policyholder obligations upon surrender earlier than expected maturity or as we rotate out of investments acquired with new reinsurance transactions to our desired asset mix during a period of rising or higher rates compared to when the investment was acquired, is expected to decrease our net income in that period and such decrease could be significant. We also expect that in a higher rate environment we will generally have a higher cost of insurance on new business, including higher hedging costs, as the benefits to policyholders on new business will be generally higher. If Global Atlantic fails to adequately cash flow match liabilities sold with higher benefits and interest rates fall while Global Atlantic holds that liability, Global Atlantic may not generate its expected earnings on those liabilities. In addition, rising interest rates will decrease the fair value of Global Atlantic's credit investments and the value of embedded derivatives associated with funds withheld reinsurance transactions. Global Atlantic expects that substantially all of its unrealized losses will not be realized as it intends to hold these investments until recovery of the losses, which may be at maturity, as part of its asset liability cash-flow matching strategy. However, if the market, industry and company-specific factors relating to these investments deteriorate meaningfully, Global Atlantic may be required to recognize an impairment to goodwill and may realize losses as a result of credit defaults or impairments on investments, either of which could have a material adverse effect on our results of operations and financial condition.

In addition, commodity prices are generally expected to rise in inflationary environments. Our Real Assets business line portfolio contains energy real asset investments, and certain of our other Private Equity, Real Assets and Credit and Liquid Strategies business line strategies have investments in or related to the energy sector. The value of these investments is heavily influenced by the price of natural gas and oil. As noted above, the actions taken by Russia in the Ukraine starting in February 2022 have caused volatility in the commodities markets. To the extent energy real asset investments are directly held by our balance sheet, price movements can have an amplified impact on our financial results, as we directly bear the full extent of such gains or losses, subject to hedging.

Although the recent bankruptcies and financial distress among crypto asset market participants and the resulting price volatility of crypto assets have caused widespread disruption in those markets, as of December 31, 2022, these events have had no material impact on our business, financial condition or results of operations. Neither we through our balance sheet, nor the limited partner funds we manage, have material direct exposure to crypto asset market participants that we are aware of that have: commenced insolvency, receivership, reorganization or bankruptcy proceedings; experienced excessive redemptions or suspended redemptions or withdrawals of crypto assets; the crypto assets of their customers unaccounted for; or experienced material corporate compliance failures. While, to date, our business has only minimal crypto exposure, the level of exposure may shift over time, and we cannot predict the broader impact, including to us, of the recent bankruptcies and financial distress among crypto asset market participants and coverage of new regulatory developments related to crypto assets and crypto asset markets.

Several relevant key market indicators in the U.S. and in other countries and areas which constitute our business environment include:

- **Equity Markets.** For the year ended December 31, 2022 December 31, 2023, global equity markets were negative, with the S&P 500 down 18.1% was up 26.3%, the MSCI Europe Index was up 26.1%, the MSCI Asia Index was up 11.8% and the MSCI World Index down 17.7% was up 24.4% on a total return basis including dividends. Equity market volatility as evidenced by the Chicago Board Options Exchange Market Volatility Index (VIX), a measure of volatility, ended at 12.5 as of December 31, 2023, decreasing from 21.7 as of December 31, 2022, increasing from 17.2 and peaking at 26.5 as of December 31, 2021 March 13, 2023.

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- **Credit Markets.** During the year ended December 31, 2022 December 31, 2023, U.S. investment grade corporate bond spreads (BofA Merrill Lynch US Corporate Index) widened tightened by 40 basis points and U.S. high-yield corporate bond spreads (BofAML HY Master II Index) widened by 171 34 basis points. The non-investment grade credit indices were down up during the year ended December 31, 2022, December 31, 2023 with the S&P/LSTA Leveraged Loan Index down 0.6% up 13.4% and the BAML US High Yield BofAML HY Master II Index down 11.2% up 13.4%. During the year ended December 31, 2022 December 31, 2023, the 10-year government bond yields rose 236 0.4 basis points in the United States, rose 6 fell 55 basis points in China, Germany, rose 35 19 basis points in Japan, rose 270 fell 14 basis points in the UK and rose 275 fell 28 basis points in Germany, China.
- **Commodity Markets.** During the year ended December 31, 2022 December 31, 2023, the 3-year forward price of WTI crude oil increased decreased approximately 11.3% 6.3%, and the 3-year forward price of natural gas increased decreased from approximately \$3.43 \$4.99 per MMBtu to \$4.99 \$4.44 per MMBtu as of December 31, 2021 December 31, 2022 and December 31, 2022 December 31, 2023. The Japan spot LNG import price decreased to approximately \$15.09 per MMBtu as of December 31, 2023 from approximately \$28.46 per MMBtu as of December 31, 2022 from approximately \$31.26 per MMBtu as of December 31, 2021.
- **Foreign Exchange Rates.** For the year ended December 31, 2022 December 31, 2023, the euro fell 5.8% rose 3.1%, the British pound 10.7% rose 5.4%, the Japanese yen 12.2% fell 7.0%, and the Chinese renminbi fell 7.9% 2.8%, respectively, relative to the U.S. dollar.

#### Other Trends, Uncertainties and Risks Related to Our Business

Please refer to the "Risk Factors" section of this report for important additional detail regarding the known trends or risks, uncertainties and competitive other conditions that have had or that are reasonably likely to could have a material favorable or unfavorable impact on our businesses, including the impact of economic market and market economic conditions on valuations of investments. These known trends, risks, uncertainties and competitive other conditions should be read in conjunction with this Business Environment section and the entire Risk Factor section. In particular, see "Risks Related to Our Investment Activities—Our valuation methodologies for certain assets can be subjective, and the fair value of assets established pursuant to such subjective methodologies is uncertain and may never be realized" and "Risks Related to Our Investment Activities—Various market and economic conditions and events outside of our control that are difficult to quantify or predict may have a significant impact on the valuation of our investments; which may make them volatile and we may not be able to realize them at such values."

#### Basis of Accounting and Key Financial Measures under GAAP

We manage our business using certain financial measures and key operating metrics since we believe these metrics measure the productivity of our investment operating activities. We prepare our Consolidated Financial Statements consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). See Note 2 "Summary of Significant Accounting Policies" in our financial statements and "Critical Accounting Policies and Estimates" contained in this section below. Our key Segment and non-GAAP financial measures and operating metrics are discussed below.

#### Adoption of New Accounting Standard

Effective January 1, 2023, we adopted new accounting guidance for insurance and reinsurance companies that issue long-duration contracts ("LDTI") with retrospective application to February 1, 2021, the date of the 2021 GA Acquisition. For a more detailed discussion of the adoption of the LDTI, see Note 2 "Summary of Significant Accounting Policies" in our financial statements included in this report.

#### Key Segment and Non-GAAP Performance Measures

The following key segment and non-GAAP performance measures are used by management in making operational and resource deployment decisions as well as assessing the performance of KKR's business. They include certain financial measures that are calculated and presented using methodologies other than in accordance with GAAP. These performance measures as described below are presented prior to giving effect to the allocation of income (loss) between KKR & Co. Inc. and holders of exchangeable securities and as such represent the entire KKR business in total. In addition, these performance measures are presented without giving effect to the consolidation of the certain investment funds and collateralized financing entities ("CFEs") that KKR manages.

We believe that providing these segment and non-GAAP performance measures on a supplemental basis to our GAAP results is helpful to stockholders in assessing the overall performance of KKR's business. These non-GAAP measures should not be considered as a substitute for financial measures calculated in accordance with GAAP. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, where applicable are included under "—Analysis of Non-GAAP Performance Balance Sheet Measures—Reconciliations to GAAP Measures."

#### Modification of Segment Information and Non-GAAP Measures

In connection with the adoption of LDTI (see Note 2 in our financial statements), KKR reevaluated the manner in which it makes operational and resource deployment decisions and assesses the overall performance of KKR's business. Effective with the three months ended March 31, 2023, the items detailed below have changed with respect to the preparation of the reports used by KKR's chief operating decision makers. As a result, KKR has modified the presentation of its segment financial information with retrospective application to all prior periods presented. The most significant changes between KKR's current segment presentation and our previous segment presentation are as follows:

- (1) implementation of the accounting changes as a result of LDTI within KKR's Insurance Segment. KKR excludes (i) changes in the fair value of market risk benefits and other policy liabilities and the associated derivatives, (ii) fees attributed to guaranteed benefits, and (iii) losses at contract issue on payout annuities from the Insurance Segment Operating Earnings. These items are excluded from Insurance Segment Operating Earnings and we believe these items do not reflect the underlying performance of this business;
- (2) Global Atlantic book value includes the impact of LDTI except for the impacts recorded in other comprehensive income, which are excluded from book value; and
- (3) reporting on a pre-tax basis Insurance Segment Operating Earnings (which was previously reported on an after-tax basis).

We believe these adjustments and changes reflect how management evaluates the Insurance business. We believe this approach enhances the transparency and visibility of the drivers of Global Atlantic's underlying operating performance.

Fee Related Earnings, Asset Management Segment Operating Earnings, and Total Asset Management Segment Revenues are not impacted by LDTI or the adjustments and changes noted above. Therefore, these Non-GAAP measures have not been recast for the historical periods.

As discussed in Note 2 "Summary of Significant Accounting Policies" in our financial statements, our historical consolidated GAAP financial results have been recast to reflect the adoption of LDTI on a full retrospective basis. Certain of our historical Non-GAAP measures have been recast to reflect the adoption of LDTI along with the adjustments and changes noted above.

## After-tax Distributable Earnings

After-tax distributable earnings is a non-GAAP performance measure of KKR's earnings, which is derived from KKR's reported segment results. After-tax distributable earnings is used to assess the performance of KKR's business operations and measures the earnings potentially available for distribution to its equity holders or reinvestment into its business. After-tax distributable earnings is equal to Distributable Operating Earnings less Interest Expense, Net Income Attributable to Noncontrolling Interests and Income Taxes Paid on Operating Earnings. Series C Mandatory Convertible Preferred Stock dividends have been excluded from After-tax Distributable Earnings (for the periods when this preferred stock was still outstanding), because the definition of Adjusted Shares used to calculate After-tax Distributable Earnings per Adjusted Share assumes that all shares of Series C Mandatory Convertible Preferred Stock have been converted to shares of common stock of KKR & Co. Inc. Income Taxes Paid on Operating Earnings represents the (i) amount of income taxes that

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would be paid assuming that all pre-tax Asset Management distributable earnings were allocated to KKR & Co. Inc. and taxed at the same effective rate, which assumes that all securities exchangeable into shares of common stock of KKR & Co. Inc. were exchanged, exchanged and (ii) the amount of income taxes on Insurance Segment Operating Earnings. Income taxes on Insurance Segment Operating Earnings represent the total current and deferred tax expense or benefit on income before taxes adjusted to eliminate the impact of the tax expense or benefit associated with the non-operating adjustments. Income Taxes Paid on Operating Earnings includes the benefit of tax deductions arising from equity-based compensation, which reduces operating income taxes paid or payable during the period. Equity based compensation expense is excluded from After-tax Distributable Earnings, because (i) KKR believes that the cost of equity awards granted to employees does not contribute to the earnings potentially available for distributions to its equity holders or reinvestment into its business and (ii) excluding this expense makes KKR's reporting metric more comparable to the corresponding metric presented by other publicly traded companies in KKR's industry, which KKR believes enhances an investor's ability to compare KKR's performance to these other companies. If tax deductions from equity-based compensation were to be excluded from Income Taxes Paid on Operating Earnings, KKR's After-tax Distributable Earnings would be lower and KKR's effective tax rate would appear to be higher, even though a lower amount of income taxes would have actually been paid or payable during the period. KKR separately discloses the amount of tax deduction from equity-based compensation for the period reported and the effect of its inclusion in After-tax Distributable Earnings for the period. KKR makes these adjustments when calculating After-tax Distributable Earnings in order to more accurately reflect the net realized earnings that are expected to be or become available for distribution to KKR's equity holders or reinvestment into KKR's business. However, After-tax Distributable Earnings does not represent and is not used to calculate actual dividends under KKR's dividend policy, which is a fixed amount per period, and After-tax Distributable Earnings should not be viewed as a measure of KKR's liquidity.

## Book Value

Book Value is a non-GAAP performance measure of the net assets of KKR and is used by management primarily in assessing the unrealized value of KKR's net assets presented on a basis that (i) deconsolidates excludes the net assets that are allocated to investors in KKR's investment funds and CFEs that KKR manages, other noncontrolling interest holders, (ii) includes the net assets that are attributable to certain securities exchangeable into shares of common stock of KKR & Co. Inc., and (iii) includes KKR's ownership of the net assets of Global Atlantic. We believe this measure is useful to stockholders as it provides additional insight into the net assets of KKR excluding those net assets that are allocated to investors in KKR's investment funds and other noncontrolling interest holders. KKR's book value includes the net impact of KKR's tax assets and liabilities as calculated under GAAP. Series C Mandatory Convertible Preferred Stock has had been included in book value, because the definition of adjusted shares used to calculate book value per adjusted share assumes that all shares of Series C Mandatory Convertible Preferred Stock have had, prior to its redemption, been converted to shares of common stock of KKR & Co. Inc. To calculate Global Atlantic book value and to make it more comparable with the corresponding metric presented by other publicly traded companies in Global Atlantic's industry, Global Atlantic book value excludes (i) accumulated other comprehensive income and (ii) accumulated change in fair value of reinsurance balances and related assets, net of deferred acquisition costs and income tax.

## Distributable Operating Earnings

Distributable operating earnings is a non-GAAP performance measure that KKR believes is useful to stockholders as it provides a supplemental measure of our operating performance without taking into account items that KKR does not believe arise from or relate directly to KKR's operations. Distributable Operating Earnings excludes: (i) equity-based compensation charges, (ii) amortization of acquired intangibles, (iii) strategic corporate transaction-related corporate-related charges and (iv) non-recurring items, if any. Strategic corporate transaction-related items corporate-related charges arise from corporate actions and consist primarily of (i) impairments, (ii) non-monetary gains or losses on divestitures, (iii) transaction costs from strategic acquisitions, and (iv) (iii) depreciation on real estate that KKR owns and occupies. Inter-segment transactions are not eliminated from segment results when management considers those transactions in assessing the results of the respective segments. These transactions include (i) management fees earned by KKR as the investment adviser for Global Atlantic insurance companies and (ii) interest income and expense based on lending arrangements where one or more KKR subsidiaries borrow from a Global Atlantic insurance subsidiary. Inter-segment transactions are recorded by each segment based on the definitive documents that contain arms' length terms and comply with applicable regulatory requirements. Distributable Operating Earnings represents operating earnings of KKR's Asset Management and Insurance segments, which are comprised of the following: segments.

▪ Asset Management Segment Operating Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the Asset Management asset management segment and is comprised of: (i) Fee Related Earnings, (ii) Realized Performance Income, (iii) Realized Performance Income Compensation, (iv) Realized Investment Income, and (v) Realized Investment Income Compensation. Asset Management Segment Operating Earnings excludes the impact of: (i) unrealized carried interest, (ii) net unrealized gains (losses) on investments, (ii) unrealized carried interest, and (iii) related unrealized carried interest compensation. Management fees earned by KKR as the adviser, manager or sponsor for its investment funds, vehicles and accounts, including its Global Atlantic insurance companies, are included in Asset Management Segment Operating Earnings.

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▪ Insurance Segment Operating Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the Insurance segment segment. This measure is presented before income taxes and is comprised of: (i) Net Investment Income, (ii) Net Cost of Insurance, (iii) General, Administrative, and Other Expenses, (iv) Income Taxes, and (v) (iv) Net Income Attributable to Noncontrolling Interests. The non-operating adjustments made to derive Insurance Segment Operating Earnings exclude excludes the impact of: (i) investment gains (losses) which include realized (gains) losses gains (losses) related to asset/liability matching investments strategies (ii) and unrealized investment (gains) losses, (iii) gains (losses) and (ii) non-operating changes in policy liabilities and derivatives which includes (a) changes in the fair value of derivatives, embedded derivatives, market risk benefits and other policy liabilities measured at fair value and related benefit payments, (b) fees attributed to guaranteed benefits, (c) derivatives used to manage the risks associated with policy liabilities, for fixed-indexed annuities, indexed universal life contracts and variable annuities, and (iv) the associated income tax effects of all exclusions from Insurance Segment Operating Earnings except for equity-based compensation expense. (d) losses at contract issuance on payout annuities. Insurance Segment Operating Earnings includes (i) realized gains and losses not related to asset/liability matching investments strategies and (ii) the investment management fee expenses costs that are earned by KKR as the investment adviser of the Global Atlantic insurance companies.

## Fee Related Earnings

Fee related earnings is a performance measure used to assess the Asset Management asset management segment's generation of profits from revenues that are measured and received on a recurring basis and are not dependent on future realization events. KKR believes this measure is useful to stockholders as it provides additional insight into the profitability of KKR's fee generating asset management and capital markets businesses and other recurring revenue streams. FRE equals (i) Management Fees, including fees paid by the Insurance segment to the Asset Management asset management segment and fees paid by certain insurance co-investment vehicles, (ii) Transaction and Monitoring Fees, Net and (iii) Fee Related Performance Revenues, less (x) Fee Related Compensation, and (y) Other Operating Expenses.

▪ Fee Related Performance Revenues refers to the realized portion of Incentive Fees from certain AUM that has an indefinite term and for which there is no immediate requirement to return invested capital to investors upon the realization of investments. Fee-related Fee related performance revenues consists of performance fees (i) to be received from our investment funds, vehicles and accounts on a recurring basis, and (ii) that are not dependent on a realization event involving investments held by the investment fund, vehicle or account.

▪ Fee Related Compensation refers to the compensation expense, excluding equity-based compensation, paid from (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, and (iii) Fee Related Performance Revenues.

▪ Other Operating Expenses represents the sum of (i) occupancy and related charges and (ii) other operating expenses.

## Total Asset Management Segment Revenues

Total Asset Management Segment Revenues is a performance measure that represents the realized revenues of the Asset Management asset management segment (which excludes unrealized carried interest and unrealized net gains (losses) on investments) and is the sum of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, and (v) Realized Investment Income. KKR believes that this performance measure is useful to stockholders as it provides additional insight into the realized revenues generated by KKR's asset management segment.

## Other Terms and Capital Metrics

### Adjusted Shares

Adjusted shares represents shares of common stock of KKR & Co. Inc. outstanding under GAAP adjusted to include (i) for any reporting period prior to the redemption of the Series C Mandatory Convertible Preferred Stock in September 2023, the number of shares of common stock of KKR & Co. Inc. assumed to be issuable upon conversion of the Series C Mandatory Convertible Preferred Stock and (ii) certain securities exchangeable into shares of common stock of KKR & Co. Inc. Weighted average adjusted shares is used in the calculation of After-tax Distributable Earnings per Adjusted Share, and Adjusted Shares is used in the calculation of Book Value per Adjusted Share.

### Assets Under Management

Assets under management represent the assets managed, advised or sponsored by KKR from which KKR is entitled to receive management fees or performance income (currently or upon a future event), general partner capital, and assets managed, advised or sponsored by our strategic BDC partnership and the hedge fund and other managers in which KKR holds an ownership interest. We believe this measure is useful to stockholders as it provides additional insight into the capital raising activities of KKR and its hedge fund and other managers and the overall activity in their investment funds and other managed or sponsored capital. KKR calculates the amount of AUM as of any date as the sum of: (i) the fair value of the investments of KKR's investment funds and certain co-investment vehicles; (ii) uncalled capital commitments from these funds, including

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uncalled capital commitments from which KKR is currently not earning management fees or performance income; (iii) the asset value of the Global Atlantic insurance companies; (iv) the par value of outstanding CLOs; (v) KKR's pro rata portion of the AUM of hedge fund and other managers in which KKR holds an ownership interest; (vi) all of the AUM of KKR's strategic BDC partnership; (vii) the acquisition cost of invested assets of certain non-U.S. non-US real estate investment trusts; trusts and (viii) the value of other assets managed or sponsored by KKR. The pro rata portion of the AUM of hedge fund and other managers is calculated based on KKR's percentage ownership interest in such entities multiplied by such entity's respective AUM. KKR's definition of AUM (i) is not based on any definition of AUM that may be set forth in the governing documents of the investment funds, vehicles, accounts or other entities whose capital is included in this definition, (ii) includes assets for which KKR does not act as an investment adviser, and (iii) is not calculated pursuant to any regulatory definitions.

### Capital Invested

Capital invested is the aggregate amount of capital invested by (i) KKR's investment funds and Global Atlantic insurance companies, (ii) KKR's Principal Activities business line as a co-investment, if any, alongside KKR's investment funds, and (iii) KKR's Principal Activities business line in connection with a syndication transaction conducted by KKR's Capital Markets business line, if any. Capital invested is used as a measure of investment activity at KKR during a given period. We believe this measure is useful to stockholders as it provides a measure of capital deployment across KKR's business lines. Capital invested includes investments made using investment financing arrangements like credit facilities, as applicable. Capital invested excludes (i) investments in certain leveraged credit strategies, (ii) capital invested by KKR's Principal Activities business line that is not a co-investment alongside KKR's investment funds, and (iii) capital invested by KKR's Principal Activities business line that is not invested in connection with a syndication transaction by KKR's Capital Markets business line. Capital syndicated by KKR's Capital Markets business line to third parties other than KKR's investment funds or Principal Activities business line is not included in capital invested.

### Fee Paying AUM

Fee paying AUM represents only the AUM from which KKR is entitled to receive management fees. We believe this measure is useful to stockholders as it provides additional insight into the capital base upon which KKR earns management fees. FPAUM is the sum of all of the individual fee bases that are used to calculate KKR's and its hedge fund and BDC partnership management fees and differs from AUM in the following respects: (i) assets and commitments from which KKR is not entitled to receive a management fee are excluded (e.g., assets and commitments with respect to which it is entitled to receive only performance income or is otherwise not currently entitled to receive a management fee) and (ii) certain assets, primarily in its private equity funds, are reflected based on capital commitments and invested capital as opposed to fair value because fees are not impacted by changes in the fair value of underlying investments.

### Uncalled Commitments

Uncalled commitments is the aggregate amount of unfunded capital commitments that KKR's investment funds and carry-paying co-investment vehicles have received from partners to contribute capital to fund future investments. The investments, and the amount of uncalled commitments is not reduced by capital invested using borrowings under an investment fund's subscription facility until capital is called from our fund investors. We believe this measure is useful to stockholders as it provides additional insight into the amount of capital that is available to KKR's investment funds and carry paying co-investment vehicles to make future investments. Uncalled commitments are not reduced for investments completed using fund-level investment financing arrangements or investments we have committed to make but remain unfunded at the reporting date.

## Consolidated Results of Operations (GAAP Basis)

The following is a discussion of our consolidated results of operations on a GAAP basis for the years ended December 31, 2023 and 2022. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report. See also "Risk Factors" and "Business Environment" for more information about factors that may affect our business, financial performance, operating results and valuations.

Effective January 1, 2023, we adopted new accounting guidance for insurance and reinsurance companies that issue long-duration contracts ("LDTI") with retrospective application to February 1, 2021, the date of the 2021 GA Acquisition. For a more detailed discussion of the adoption of LDTI, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.

|                                                                                                                                                                                                                | Years Ended       |                   |             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------|
|                                                                                                                                                                                                                | December 31, 2023 | December 31, 2022 | Change      |
|                                                                                                                                                                                                                | (\$ in thousands) |                   |             |
| <b>Revenues</b>                                                                                                                                                                                                |                   |                   |             |
| <b>Asset Management</b>                                                                                                                                                                                        |                   |                   |             |
| Fees and Other                                                                                                                                                                                                 | \$ 2,963,869      | \$ 2,821,627      | \$ 142,242  |
| Capital Allocation-Based Income (Loss)                                                                                                                                                                         | 2,843,437         | (2,500,509)       | 5,343,946   |
|                                                                                                                                                                                                                | 5,807,306         | 321,118           | 5,486,188   |
| <b>Insurance</b>                                                                                                                                                                                               |                   |                   |             |
| Net Premiums                                                                                                                                                                                                   | 1,975,675         | 1,182,461         | 793,214     |
| Policy Fees                                                                                                                                                                                                    | 1,260,249         | 1,261,721         | (1,472)     |
| Net Investment Income                                                                                                                                                                                          | 5,514,902         | 4,118,246         | 1,396,656   |
| Net Investment-Related Gains (Losses)                                                                                                                                                                          | (235,262)         | (1,318,490)       | 1,083,228   |
| Other Income                                                                                                                                                                                                   | 176,442           | 139,124           | 37,318      |
|                                                                                                                                                                                                                | 8,692,006         | 5,383,062         | 3,308,944   |
| <b>Total Revenues</b>                                                                                                                                                                                          | 14,499,312        | 5,704,180         | 8,795,132   |
| <b>Expenses</b>                                                                                                                                                                                                |                   |                   |             |
| <b>Asset Management</b>                                                                                                                                                                                        |                   |                   |             |
| Compensation and Benefits                                                                                                                                                                                      | 3,012,687         | 1,144,666         | 1,868,021   |
| Occupancy and Related Charges                                                                                                                                                                                  | 93,391            | 77,271            | 16,120      |
| General, Administrative and Other                                                                                                                                                                              | 1,056,899         | 993,548           | 63,351      |
|                                                                                                                                                                                                                | 4,162,977         | 2,215,485         | 1,947,492   |
| <b>Insurance</b>                                                                                                                                                                                               |                   |                   |             |
| Net Policy Benefits and Claims (including market risk benefit loss (gain) of \$224,380 and \$(673,399), respectively; remeasurement (gain) loss on policy liabilities: \$15,497 and \$(57,128), respectively.) | 6,362,257         | 2,358,238         | 4,004,019   |
| Amortization of Policy Acquisition Costs                                                                                                                                                                       | 87,275            | 55,349            | 31,926      |
| Interest Expense                                                                                                                                                                                               | 173,883           | 87,182            | 86,701      |
| Insurance Expenses                                                                                                                                                                                             | 825,998           | 562,585           | 263,413     |
| General, Administrative and Other                                                                                                                                                                              | 746,215           | 718,977           | 27,238      |
|                                                                                                                                                                                                                | 8,195,628         | 3,782,331         | 4,413,297   |
| <b>Total Expenses</b>                                                                                                                                                                                          | 12,358,605        | 5,997,816         | 6,360,789   |
| <b>Investment Income (Loss) - Asset Management</b>                                                                                                                                                             |                   |                   |             |
| Net Gains (Losses) from Investment Activities                                                                                                                                                                  | 3,025,383         | (1,665,537)       | 4,690,920   |
| Dividend Income                                                                                                                                                                                                | 791,160           | 1,322,447         | (531,287)   |
| Interest Income                                                                                                                                                                                                | 3,369,447         | 1,895,282         | 1,474,165   |
| Interest Expense                                                                                                                                                                                               | (2,772,088)       | (1,550,777)       | (1,221,311) |
| <b>Total Investment Income (Loss)</b>                                                                                                                                                                          | 4,413,902         | 1,415             | 4,412,487   |
| <b>Income (Loss) Before Taxes</b>                                                                                                                                                                              | 6,554,609         | (292,221)         | 6,846,830   |
| <b>Income Tax Expense (Benefit)</b>                                                                                                                                                                            | 1,197,523         | 125,393           | 1,072,130   |

|                          | Years Ended       |                   |           |
|--------------------------|-------------------|-------------------|-----------|
|                          | December 31, 2023 | December 31, 2022 | Change    |
|                          | (\$ in thousands) |                   |           |
| <b>Net Income (Loss)</b> | 5,357,086         | (417,614)         | 5,774,700 |



|                                                                       |                     |                     |                     |
|-----------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Net Income (Loss) Attributable to Redeemable Noncontrolling Interests | (5,405)             | 2,792               | (8,197)             |
| Net Income (Loss) Attributable to Noncontrolling Interests            | 1,630,230           | 101,258             | 1,528,972           |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>           | <b>3,732,261</b>    | <b>(521,664)</b>    | <b>4,253,925</b>    |
| Series C Mandatory Convertible Preferred Stock Dividends              | 51,747              | 69,000              | (17,253)            |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>           |                     |                     |                     |
| <b>Common Stockholders</b>                                            | <b>\$ 3,680,514</b> | <b>\$ (590,664)</b> | <b>\$ 4,271,178</b> |

## Consolidated Results of Operations (GAAP Basis) - Asset Management

### Revenues

For the years ended December 31, 2023 and 2022, revenues consisted of the following:

|                                                     | Years Ended         |                    |                     |
|-----------------------------------------------------|---------------------|--------------------|---------------------|
|                                                     | December 31, 2023   | December 31, 2022  | Change              |
|                                                     | (\$ in thousands)   |                    |                     |
| Management Fees                                     | \$ 1,843,144        | \$ 1,682,466       | \$ 160,678          |
| Fee Credits                                         | (297,936)           | (532,355)          | 234,419             |
| Transaction Fees                                    | 1,075,204           | 1,316,637          | (241,433)           |
| Monitoring Fees                                     | 138,339             | 131,750            | 6,589               |
| Incentive Fees                                      | 29,117              | 33,537             | (4,420)             |
| Expense Reimbursements                              | 75,687              | 102,927            | (27,240)            |
| Consulting Fees                                     | 100,314             | 86,665             | 13,649              |
| <b>Total Fees and Other</b>                         | <b>2,963,869</b>    | <b>2,821,627</b>   | <b>142,242</b>      |
| Carried Interest                                    | 2,304,623           | (2,068,662)        | 4,373,285           |
| General Partner Capital Interest                    | 538,814             | (431,847)          | 970,661             |
| <b>Total Capital Allocation-Based Income (Loss)</b> | <b>2,843,437</b>    | <b>(2,500,509)</b> | <b>5,343,946</b>    |
| <b>Total Revenues - Asset Management</b>            | <b>\$ 5,807,306</b> | <b>\$ 321,118</b>  | <b>\$ 5,486,188</b> |

### Fees and Other

Total Fees and Other for the year ended December 31, 2023 increased compared to the year ended December 31, 2022 primarily as a result of an increase in management fees and a decrease in fee credits, which were partially offset by a lower level of transaction fees.

For a more detailed discussion of the factors that affected our transaction fees during the period, see "—Analysis of Asset Management Segment Operating Results."

The increase in management fees was primarily attributable to management fees earned on new capital raised over the past twelve months at Asia Pacific Infrastructure Investors II, Global Impact Fund II, Ascendant Fund, and Next Generation Technology Growth Fund III. The increase was partially offset by (i) a lower level of management fees from Americas Fund XII due to a step-down in the management fee rate in 2023 and a decrease in invested capital, (ii) management fees earned on new capital raised for North America Fund XIII in the first quarter of 2022 that was retroactive to the start of the fund's investment period, and (iii) a lower level of management fees from Asian Fund III due to a decrease in its fee base, invested capital, from the sale of investments. There were no management fees that were retroactive to the start of the fund's investment period for the year ended December 31, 2023 for North America Fund XIII.

Management fees due from consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are funded by, and earned from, noncontrolling interests, upon consolidation under GAAP, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is increased by the amount of fees that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated. For a more detailed discussion on the factors that affect our management fees during the period, see "—Analysis of Asset Management Segment Operating Results."

Fee credits decreased compared to the prior period primarily as a result of a lower level of transaction fees in our Private Equity, Real Assets and Credit and Liquid Strategies business lines in the current period. Fee credits owed to consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are owed to noncontrolling interests, upon consolidation under GAAP, KKR's allocated share of the net income from the consolidated investment funds is decreased by the amount of fee credits that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated. Transaction and monitoring fees earned from KKR portfolio companies are not eliminated upon consolidation because those fees are earned from companies which are not

consolidated. Furthermore, transaction fees earned in our capital markets business are not shared with fund investors. Accordingly, certain transaction fees are reflected in our revenues without a corresponding fee credit.

#### Capital Allocation-Based Income (Loss)

Capital Allocation-Based Income (Loss) for the year ended December 31, 2023 was positive primarily due to the net appreciation of the underlying investments in many of our unconsolidated carry-earning investment funds, most notably Americas Fund XII, Asian Fund III, and Global Infrastructure Investors III. Capital Allocation-Based Income (Loss) for the year ended December 31, 2022 was negative primarily due to the net depreciation of the underlying investments in many of our carry-earning investment funds, most notably Americas Fund XII, Asian Fund II, and Asian Fund III.

KKR generally calculates the carried interest that would be due to KKR for each investment fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of the reporting date, irrespective of whether such amounts have been realized. Since the fair value of the underlying investments varies between reporting periods, it is necessary to make adjustments to the amounts recorded as carried interest to reflect either (a) positive performance, resulting in an increase in the carried interest allocated to the general partner or (b) negative performance that would cause the amount due to KKR to be less than the amount previously recognized, resulting in a negative adjustment to carried interest allocated to the general partner. In each case, it is necessary to calculate the carried interest on cumulative results compared to the carried interest recorded to date and to make the required positive or negative adjustments.

#### Investment Income (Loss) - Asset Management

##### *Net Gains (Losses) from Investment Activities for the year ended December 31, 2023*

The net gains from investment activities for the year ended December 31, 2023 were comprised of net realized losses of \$(776.5) million and net unrealized gains of \$3,801.9 million.

Investment gains and losses relating to our general partner capital interest in our unconsolidated funds are not reflected in our discussion and analysis of Net Gains (Losses) from Investment Activities. Our economics associated with these gains and losses are reflected in Capital Allocation-Based Income (Loss) as described above.

##### *Realized Gains and Losses from Investment Activities*

For the year ended December 31, 2023, net realized losses related primarily to (i) a realized loss on our investment in GenesisCare Pty Ltd. (healthcare sector), (ii) realized losses from the distribution of certain assets to third-party investors in certain of our consolidated energy funds, predominantly allocated to noncontrolling interests based on their ownership in our investment funds, (iii) a realized loss on our investment in Envision Healthcare Corporation (healthcare sector), and (iv) realized losses on alternative credit investments, Hilding Anders International AB (consumer products sector) and Chembulk Group (transportation sector), predominantly allocated to noncontrolling interests based on their ownership in our investment funds. Partially offsetting these realized losses were realized gains primarily relating to (i) realizations on certain foreign exchange forward contracts, and (ii) the sale of our investment in KnowBe4, Inc. (NASDAQ: KNBE) and Flutter Entertainment PLC (LON: FLTR).

##### *Unrealized Gains and Losses from Investment Activities*

For the year ended December 31, 2023, net unrealized gains were driven primarily by (i) mark-to-market gains primarily relating to BridgeBio Pharma, Inc. (NASDAQ: BBIO), Exact Holding B.V. (technology sector), and USI, Inc. (financial services sector), (ii) the reversal of previously recognized unrealized losses relating to the realization activity described above, and (iii) certain investments held in our consolidated CLOs. These unrealized gains were partially offset by mark-to-market losses primarily relating to (i) PetVet Care Centers, LLC (healthcare sector), (ii) certain foreign exchange forward contracts, and (iii) debt obligations of our consolidated CLOs.

The factors that affect each investment strategy vary depending on the nature of the asset class and the valuation methodology employed. For the year ended December 31, 2023 net unrealized gains were primarily generated in the following asset classes:

**Table:** Traditional private equity and core private equity, which were primarily impacted by (i) the positive returns of global equity markets and the related increase of market multiples used in the market comparables methodology for the valuation of Level III investments, and (ii) overall positive operating performance of its portfolio companies;

- Credit, which were primarily impacted by positive performance of our CLOs and by the tightening of the credit spreads during the year; and
- Infrastructure, which primarily benefited from the positive operating performance of certain infrastructure assets and to a lesser extent by the positive returns of global equity markets and the related increase of market multiples used in the market comparables methodology for the valuation of Level III investments.

Partially offsetting the gains in the asset classes above, there were unrealized losses generated in the real estate investments, which, notwithstanding the positive operating performance at certain properties, were negatively impacted by capitalization rates widening further in 2023. See "Risk Factors" and "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuation.

##### *Net Gains (Losses) from Investment Activities for the year ended December 31, 2022*

The net losses from investment activities for the year ended December 31, 2022 were comprised of net realized gains of \$1,298.5 million and net unrealized losses of \$(2,964.0) million.

##### *Realized Gains and Losses from Investment Activities*

For the year ended December 31, 2022, net realized gains related primarily to (i) the sale of our investment in Fiserv, Inc. (NASDAQ: FISV), (ii) realizations on certain foreign exchange forward contracts, and (iii) the sale of real estate investments held in certain consolidated opportunistic real estate equity funds. Partially offsetting these realized gains

were realized losses primarily relating to (i) various investments held in our consolidated alternative credit funds, (ii) a realized loss on Magneti Marelli CK Holdings (industrials sector) held in certain consolidated funds and (iii) realized losses from the sales of revolving credit facilities.

#### **Unrealized Gains and Losses from Investment Activities**

For the year ended December 31, 2022, net unrealized losses were driven primarily by mark-to-market losses from (i) certain debt investments held in our consolidated CLOs and consolidated alternative credit funds, (ii) OutSystems Holdings S.A. (technology sector) held in certain consolidated funds and (iii) the reversal of previously recognized unrealized gains relating to the realization activity described above. These unrealized losses were partially offset by mark-to-market gains related to (i) energy investments held in certain consolidated energy funds, (ii) USI, Inc., and (iii) ERM Worldwide Group Limited (services sector).

For a discussion of other factors that affected KKR's realized investment income, see "—Analysis of Asset Management Segment Operating Results." For additional information about net gains (losses) from investment activities, see Note 4 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements.

#### **Dividend Income**

During the year ended December 31, 2023, dividend income was primarily from (i) our open-ended core infrastructure fund, Diversified Core Infrastructure Fund, (ii) our consolidated opportunistic real estate equity funds, and (iii) Cegid Group S.A. (technology sector) and Atlantic Aviation FBO Inc. (infrastructure: transportation sector), both held in our consolidated core vehicles. During the year ended December 31, 2022, dividend income was primarily from (i) our consolidated core plus and opportunistic real estate equity funds and (ii) our investment in Exact Group B.V. held in our consolidated core vehicles.

Significant dividends from portfolio companies and consolidated funds are generally not recurring quarterly dividends, and while they may occur in the future, their size and frequency are variable. For a discussion of other factors that affected KKR's dividend income, see "—Analysis of Asset Management Segment Operating Results."

#### **Interest Income**

The increase in interest income during the year ended December 31, 2023 compared to the year ended December 31, 2022 was primarily due to (i) the impact of closing CLOs that are consolidated subsequent to December 31, 2022, (ii) higher interest rates on floating rate investments held in consolidated CLOs and our consolidated private credit funds, and (iii) a higher level of interest income from certain of our consolidated private credit funds, related to an increase in the amount of capital deployed. For a discussion of other factors that affected KKR's interest income, see "—Analysis of Asset Management Segment Operating Results."

#### **Interest Expense**

The increase in interest expense during the year ended December 31, 2023 compared to the year ended December 31, 2022 was primarily due to (i) the increase in the amount of borrowings outstanding from certain consolidated funds and other vehicles, (ii) the impact of closing CLOs that are consolidated subsequent to December 31, 2022, (iii) higher interest rates on floating rate debt obligations held in consolidated CLOs, and (iv) the impact of issuances of KKR senior notes after December 31, 2022. For a discussion of other factors that affected KKR's interest expense, see "—Analysis of Non-GAAP Performance Measures."

#### **Expenses - Asset Management**

##### **Compensation and Benefits**

The increase in compensation and benefits during the year ended December 31, 2023 compared to the year ended December 31, 2022 was primarily due to accrued carried interest compensation in the current period compared to the reversal of previously recognized carried interest compensation in the prior period. Partially offsetting the increase is a lower level of accrued discretionary cash compensation resulting from a lower level of asset management segment revenues in the current period.

The number of equity-based compensation awards granted in 2023 is higher than in 2022 which is expected to result in a higher equity-based compensation expense in future periods. Additional equity grants made in 2024 or forfeitures of existing equity grants during 2024 would increase and decrease the amount of equity-based compensation expense to be recorded in the future, respectively.

##### **General, Administrative and Other**

The increase in general, administrative and other during the year ended December 31, 2023 compared to the year ended December 31, 2022 was primarily due to (i) a higher level of expenses from our consolidated investment funds and CLOs due to the impact of consolidating certain new funds and CLOs subsequent to December 31, 2022 and (ii) a higher level of information technology and other administrative costs in connection with the overall growth of the firm. The increase was partially offset by (i) a lower level of expenses reimbursable by our unconsolidated investment funds and (ii) a lower level of corporate travel costs and placement fees.

In periods of increased fundraising and to the extent that we use third parties to assist in our capital raising efforts, our General, Administrative and Other are expected to increase accordingly.

#### **Consolidated Results of Operations (GAAP Basis) - Insurance**

##### **Assumption review**

The assumptions on which reserves, deferred revenue and expenses are based are intended to represent an estimation of the benefits that are expected to be payable to, and fees or premiums that are expected to be collectible from, policyholders in future periods. Global Atlantic reviews the adequacy of its reserves, deferred revenue and expenses and the assumptions underlying those items at least annually, usually in the third quarter. As Global Atlantic analyzes its assumptions, to the extent Global Atlantic chooses to update one or more of those assumptions, there may be an "unlocking" impact. Generally, favorable unlocking means the change in assumptions required a reduction in reserves, or in deferred revenue liabilities, and unfavorable unlocking means the change in assumptions required an increase in reserves or in deferred revenue liabilities, or a reduction in deferred expenses.

The following table reflects the impact on net income before taxes and to insurance segment adjusted operating earnings from Global Atlantic's assumption review:

|                                                                                                 | Years Ended       |                    |                  |
|-------------------------------------------------------------------------------------------------|-------------------|--------------------|------------------|
|                                                                                                 | December 31, 2023 | December 31, 2022  | Change           |
|                                                                                                 | (\$ in thousands) |                    |                  |
| Total assumption review impact on income before taxes (GAAP basis)                              | \$ (15,497)       | \$ 57,128          | \$ (72,625)      |
| Assumption review impact on adjustments to derive insurance segment adjusted operating earnings | 15,826            | (89,961)           | 105,787          |
| Noncontrolling interests' share of assumption review impact                                     | (121)             | 12,043             | (12,164)         |
| <b>Total assumption review impact on insurance segment adjusted operating earnings</b>          | <b>\$ 208</b>     | <b>\$ (20,790)</b> | <b>\$ 20,998</b> |

For the year ended December 31, 2023, the net unfavorable impact on income before taxes was primarily due to (i) an increase in option cost assumptions for indexed products (net of the impact of reducing caps), (ii) an increase in mortality assumptions related to certain annuity products, and (iii) a decrease in expected surrenders on income annuities and life insurance products. These unfavorable impacts were partially offset by a favorable impact of lower expected surrenders on accumulation annuities. For the year ended December 31, 2022, the net favorable impact to income before taxes was primarily due to lower utilization of fixed-indexed annuity income benefits and higher variable annuity fees, offset by lower life and annuity surrender rates. The assumption review impact on adjustments to derive insurance segment adjusted operating earnings reflects the net impact of market risk benefits and other policy liabilities measured at fair value.

## Revenues

For the years ended December 31, 2023 and 2022, revenues consisted of the following:

|                                       | Years Ended         |                     |                     |
|---------------------------------------|---------------------|---------------------|---------------------|
|                                       | December 31, 2023   | December 31, 2022   | Change              |
|                                       | (\$ in thousands)   |                     |                     |
| Net Premiums                          | \$ 1,975,675        | \$ 1,182,461        | \$ 793,214          |
| Policy Fees                           | 1,260,249           | 1,261,721           | (1,472)             |
| Net Investment Income                 | 5,514,902           | 4,118,246           | 1,396,656           |
| Net Investment-Related Gains (Losses) | (235,262)           | (1,318,490)         | 1,083,228           |
| Other Income                          | 176,442             | 139,124             | 37,318              |
| <b>Total Insurance Revenues</b>       | <b>\$ 8,692,006</b> | <b>\$ 5,383,062</b> | <b>\$ 3,308,944</b> |

## Net Premiums

Net premiums increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to an increase in initial premiums assumed from reinsurance transactions with life contingencies during the year ended December 31, 2023 as compared to the year ended December 31, 2022. The increase was partially offset by higher retrocessions to third party reinsurers during the year ended December 31, 2023 as compared to the year ended December 31, 2022. The initial premiums on assumed reinsurance were offset by a comparable increase in policy reserves reported within net policy benefits and claims (as discussed below).

## Net investment income

Net investment income increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to (i) increased average assets under management due to growth in assets in Global Atlantic's institutional market channel as a result of new reinsurance transactions and individual market channel sales and (ii) growth in portfolio yields due to higher market interest rates and the benefit in 2023 from rotating into higher yielding assets during 2022.

## Net investment-related losses

The components of net investment-related losses were as follows:

|  | Years Ended       |                   |        |
|--|-------------------|-------------------|--------|
|  | December 31, 2023 | December 31, 2022 | Change |
|  | (\$ in thousands) |                   |        |

|                                                |           |                  |           |                    |           |                    |
|------------------------------------------------|-----------|------------------|-----------|--------------------|-----------|--------------------|
| Funds withheld payable embedded derivatives    | \$        | (1,040,463)      | \$        | 3,448,710          | \$        | (4,489,173)        |
| Equity futures contracts                       |           | (116,766)        |           | 167,924            |           | (284,690)          |
| Foreign currency forwards                      |           | 20,171           |           | 18,929             |           | 1,242              |
| Credit risk contracts                          |           | (280)            |           | (108)              |           | (172)              |
| Equity index options                           |           | 482,121          |           | (895,602)          |           | 1,377,723          |
| Interest rate and foreign exchange contracts   |           | (101,376)        |           | (333,937)          |           | 232,561            |
| Funds withheld receivable embedded derivatives |           | 75,876           |           | (29,390)           |           | 105,266            |
| Other                                          |           | —                |           | (29,779)           |           | 29,779             |
| <b>Net gains on derivative instruments</b>     |           | <b>(680,717)</b> |           | <b>2,346,747</b>   |           | <b>(3,027,464)</b> |
| Net other investment gains (losses)            |           | 445,455          |           | (3,665,237)        |           | 4,110,692          |
| <b>Net investment-related gains (losses)</b>   | <b>\$</b> | <b>(235,262)</b> | <b>\$</b> | <b>(1,318,490)</b> | <b>\$</b> | <b>1,083,228</b>   |

#### Net gains on derivative instruments

The decrease in the fair value of embedded derivatives on funds withheld at interest payable for the year ended December 31, 2023 was primarily driven by the change in fair value of the underlying investments in the funds withheld at interest payable portfolio, which is primarily comprised of fixed maturity securities (designated as trading for accounting purposes), mortgage and other loan receivables, and other investments. The underlying investments in the funds withheld at interest payable portfolio increased in value during the year ended December 31, 2023 and decreased during the year ended December 31, 2022 due to market interest rates ending 2023 relatively flat (having generally increased during 2023, and then decreased at the end of fourth quarter 2023) as compared to a significant increase during the year ended December 31, 2022.

The decrease in the fair value of equity futures was driven primarily by the performance of equity markets. Global Atlantic purchases equity futures primarily to hedge the market risk in its variable annuity products which are accounted for in policy benefits and claims. The majority of Global Atlantic's equity futures are based on the S&P 500 Index, which increased during the year ended December 31, 2023, as compared to a decrease during the year ended December 31, 2022, resulting in respectively, a loss, and a gain, on equity futures contracts in the respective periods.

The increase in the fair value of interest rate and foreign exchange contracts was primarily driven by volatile market interest rates over the course of the year ended December 31, 2023, ending relatively flat for the year in general, as compared to a significant increase in market interest rates during the year ended December 31, 2022, resulting in a loss on interest rate contracts in both periods, respectively.

The increase in the fair value of equity index options was primarily driven by the performance of the indexes upon which call options are based. Global Atlantic purchases equity index options to hedge the market risk of embedded derivatives in indexed universal life and fixed-indexed annuity products (the change in which is accounted for in net policy benefits and claims). The majority of Global Atlantic's equity index call options are based on the S&P 500 Index, which increased during the year ended December 31, 2023, as compared to a decrease during the year ended December 31, 2022.

The increase in the fair value of embedded derivatives on funds withheld at interest receivable was primarily due to a narrowing of credit spreads during the year ended December 31, 2023 as compared to a widening of credit spreads during the year ended December 31, 2022.

#### Net other investment gains (losses)

The components of net other investment gains (losses) were as follows:

|                                                                                                           | Years Ended       |                       |                     |
|-----------------------------------------------------------------------------------------------------------|-------------------|-----------------------|---------------------|
|                                                                                                           | December 31, 2023 | December 31, 2022     | Change              |
|                                                                                                           | (\$ in thousands) |                       |                     |
| Realized gains on investments not supporting asset-liability matching strategies                          | \$ 36,689         | \$ 87,198             | \$ (50,509)         |
| Realized losses on available-for-sale fixed maturity debt securities                                      | (64,140)          | (559,987)             | 495,847             |
| Credit loss allowances                                                                                    | (373,282)         | (456,176)             | 82,894              |
| Impairment of available-for-sale fixed maturity debt securities due to intent to sell                     | (26,741)          | —                     | (26,741)            |
| Unrealized gains (losses) on fixed maturity securities classified as trading                              | 1,031,227         | (2,603,874)           | 3,635,101           |
| Unrealized (losses) gains on investments accounted under a fair-value option                              | (110,371)         | 60,237                | (170,608)           |
| Unrealized losses on real estate investments recognized at fair value under investment company accounting | (115,840)         | (42,870)              | (72,970)            |
| Realized gains on funds withheld at interest, payable portfolio                                           | 25,427            | 38,074                | (12,647)            |
| Realized losses on funds withheld at interest, receivable portfolio                                       | (9,193)           | (3,176)               | (6,017)             |
| Other                                                                                                     | 51,679            | (184,663)             | 236,342             |
| <b>Net other investment-related gains (losses)</b>                                                        | <b>\$ 445,455</b> | <b>\$ (3,665,237)</b> | <b>\$ 4,110,692</b> |

The increase in net other investment gains for the year ended December 31, 2023 as compared to net other investment losses for the year ended December 31, 2022, were primarily due to (i) an increase in unrealized gains on fixed maturity securities classified as trading which was primarily due to market interest rates ending the year relatively flat after being volatile during the year ended December 31, 2023 as compared to a significant increase in market interest rates during the year ended December 31, 2022, (ii) a decrease in realized losses on available-for-sale fixed maturity debt securities which was primarily due to a decrease in portfolio rotation activity during the year ended December 31, 2023, and (iii) an increase in gains from other investments, primarily due to a net decrease in realized losses from the disposition of renewable energy investments in the current and prior year.

Offsetting these increases in net other investment gains were (i) an increase in unrealized losses on investments accounted under a fair-value option, (ii) an increase in unrealized losses on real estate investments at fair-value under investment company accounting due to higher interest and capitalization rates during the year ended December 31, 2023 and (iii) a decrease in realized gains on investments not supporting asset-liability matching strategies.

## Expenses

### *Net policy benefits and claims*

Net policy benefits and claims increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to (i) an increase in the value of embedded derivatives in Global Atlantic's indexed universal life and fixed indexed annuity products, as a result of higher equity market returns (as discussed above under "—Consolidated Results of Operations (GAAP Basis)—Revenues—Net investment-related gains (losses).", Global Atlantic purchases equity index options in order to hedge this risk, the fair value changes of which are accounted for in gains on derivative instruments, and generally offsetting the change in embedded derivative fair value reported in net policy benefits and claims), (ii) an increase in losses on market risk benefits due to market interest rates generally ending the year relatively flat after being volatile during the year ended December 31, 2023, as compared to a significant increase in market interest rates during the year ended December 31, 2022, (iii) an increase in net flows from both individual and institutional market channel sales, (iv) higher average funding costs due to higher crediting rates and the ordinary-course run-off of older business originated in a lower interest rate environment, (v) higher initial reserves assumed related to new reinsurance transactions with life contingencies in the year ended December 31, 2023 as compared to the year ended December 31, 2022, and (vi) an increase in unfavorable assumption review impacts as discussed above.

Offsetting these increases was a decrease in variable annuity market risk benefit liabilities primarily due to higher equity market returns for the year ended December 31, 2023 as compared to the year ended December 31, 2022.

### *Amortization of policy acquisition costs*

Amortization of policy acquisition costs increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to growth in Global Atlantic's individual market and institutional market channels.

### *Interest expense*

Interest expense increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to (i) a net increase in total debt outstanding, and (ii) an increase in interest expense on floating rate debt (i.e., Global Atlantic's fixed-to-floating swaps on its fixed rate debt) due to higher market interest rates during portions of the year ended December 31, 2023.

### *Insurance expenses*

Insurance expenses increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to increased commission expenses and reinsurance transaction expense allowances.

### *General, administrative and other*

General, administrative and other increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to increased employee compensation and benefits related expenses.

## Other Consolidated Results of Operations (GAAP Basis)

### **Income Tax Expense (Benefit)**

Income tax expense increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to asset management net operating income in the current period as compared to a net operating loss in the prior period driven by Asset Management capital allocation-based losses. For a discussion of factors that impacted KKR's tax provision, see Note 18 "Income Taxes" in our financial statements included elsewhere in this report.

### **Net Income (Loss) Attributable to Noncontrolling Interests**

Net income (loss) attributable to noncontrolling interests for the year ended December 31, 2023 relates primarily to net income (loss) attributable to: (i) exchangeable securities representing ownership interests in KKR Group Partnership, (ii) third party limited partner interests in consolidated investment funds and (iii) interests that third-party investors hold in Global Atlantic. Net income attributable to noncontrolling interests for the year ended December 31, 2023 was primarily related to net gains from investment activities at our consolidated investment funds and positive income allocable to interests that third party investors hold in Global Atlantic.



## Net Income (Loss) Attributable to KKR & Co. Inc.

Net income (loss) attributable to KKR & Co. Inc. for the year ended December 31, 2023 was positive as compared to a net loss in the prior period. Net income attributable to KKR & Co. Inc. for the year ended December 31, 2023 was primarily driven by capital allocation-based income and net gains from investment activities in asset management in the period. The Net loss attributable to KKR & Co. Inc. for the year ended December 31, 2022 was driven by capital allocation-based losses and net losses from investment activities in asset management.

## Consolidated Results of Operations (GAAP Basis)

The following is a discussion of our consolidated results of operations on a GAAP basis for the years ended December 31, 2022 and 2021. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report. See also "Risk Factors" and "—Business Environment" for more information about factors that may affect our business, financial performance, operating results and valuations.

|                                                    | Years Ended       |                   |              |
|----------------------------------------------------|-------------------|-------------------|--------------|
|                                                    | December 31, 2022 | December 31, 2021 | Change       |
|                                                    | (\$ in thousands) |                   |              |
| <b>Revenues</b>                                    |                   |                   |              |
| <b>Asset Management</b>                            |                   |                   |              |
| Fees and Other                                     | \$ 2,821,627      | \$ 2,850,154      | \$ (28,527)  |
| Capital Allocation-Based Income (Loss)             | (2,500,509)       | 6,842,414         | (9,342,923)  |
|                                                    | 321,118           | 9,692,568         | (9,371,450)  |
| <b>Insurance</b>                                   |                   |                   |              |
| Net Premiums                                       | 1,182,461         | 2,226,078         | (1,043,617)  |
| Policy Fees                                        | 1,278,736         | 1,147,913         | 130,823      |
| Net Investment Income                              | 4,118,246         | 2,845,623         | 1,272,623    |
| Net Investment-Related Gains (Losses)              | (1,318,490)       | 203,753           | (1,522,243)  |
| Other Income                                       | 139,124           | 120,213           | 18,911       |
|                                                    | 5,400,077         | 6,543,580         | (1,143,503)  |
| <b>Total Revenues</b>                              | 5,721,195         | 16,236,148        | (10,514,953) |
| <b>Expenses</b>                                    |                   |                   |              |
| <b>Asset Management</b>                            |                   |                   |              |
| Compensation and Benefits                          | 1,144,666         | 4,428,743         | (3,284,077)  |
| Occupancy and Related Charges                      | 77,271            | 69,084            | 8,187        |
| General, Administrative and Other                  | 993,548           | 959,077           | 34,471       |
|                                                    | 2,215,485         | 5,456,904         | (3,241,419)  |
| <b>Insurance</b>                                   |                   |                   |              |
| Net Policy Benefits and Claims                     | 3,184,427         | 5,055,709         | (1,871,282)  |
| Amortization of Policy Acquisition Costs           | 10,990            | (65,949)          | 76,939       |
| Interest Expense                                   | 87,182            | 61,661            | 25,521       |
| Insurance Expenses                                 | 565,304           | 358,878           | 206,426      |
| General, Administrative and Other                  | 718,422           | 555,321           | 163,101      |
|                                                    | 4,566,325         | 5,965,620         | (1,399,295)  |
| <b>Total Expenses</b>                              | 6,781,810         | 11,422,524        | (4,640,714)  |
| <b>Investment Income (Loss) - Asset Management</b> |                   |                   |              |
| Net Gains (Losses) from Investment Activities      | (1,665,537)       | 7,720,923         | (9,386,460)  |
| Dividend Income                                    | 1,322,447         | 698,800           | 623,647      |
| Interest Income                                    | 1,895,282         | 1,485,470         | 409,812      |
| Interest Expense                                   | (1,550,777)       | (1,070,368)       | (480,409)    |
| <b>Total Investment Income (Loss)</b>              | 1,415             | 8,834,825         | (8,833,410)  |
| <b>Income (Loss) Before Taxes</b>                  | (1,059,200)       | 13,648,449        | (14,707,649) |
| <b>Income Tax Expense (Benefit)</b>                | (35,672)          | 1,353,270         | (1,388,942)  |

Effective January 1, 2023, we adopted new accounting guidance for insurance and reinsurance companies that issue long-duration contracts ("LDTI") with retrospective application to February 1, 2021, the date of the 2021 GA Acquisition. For a more detailed discussion of the adoption of LDTI, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.

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|                                                                       | Years Ended         |                     |                       |
|-----------------------------------------------------------------------|---------------------|---------------------|-----------------------|
|                                                                       | December 31, 2022   | December 31, 2021   | Change                |
|                                                                       | (\$ in thousands)   |                     |                       |
| <b>Net Income (Loss)</b>                                              | (1,023,528)         | 12,295,179          | (13,318,707)          |
| Net Income (Loss) Attributable to Redeemable Noncontrolling Interests | 2,792               | 4,060               | (1,268)               |
| Net Income (Loss) Attributable to Noncontrolling Interests            | (185,190)           | 7,624,643           | (7,809,833)           |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>           | (841,130)           | 4,666,476           | (5,507,606)           |
| Series A Preferred Stock Dividends                                    | —                   | 23,656              | (23,656)              |
| Series B Preferred Stock Dividends                                    | —                   | 12,991              | (12,991)              |
| Series C Mandatory Convertible Preferred Stock Dividends              | 69,000              | 69,000              | —                     |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>           |                     |                     |                       |
| <b>Common Stockholders</b>                                            | <b>\$ (910,130)</b> | <b>\$ 4,560,829</b> | <b>\$ (5,470,959)</b> |

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|                                                                                                                                                                                                                    | Years Ended       |                   |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|---------------------|
|                                                                                                                                                                                                                    | December 31, 2022 | December 31, 2021 | Change              |
|                                                                                                                                                                                                                    | (\$ in thousands) |                   |                     |
| <b>Revenues</b>                                                                                                                                                                                                    |                   |                   |                     |
| <b>Asset Management</b>                                                                                                                                                                                            |                   |                   |                     |
| Fees and Other                                                                                                                                                                                                     | \$ 2,821,627      | \$ 2,850,154      | \$ (28,527)         |
| Capital Allocation-Based Income (Loss)                                                                                                                                                                             | (2,500,509)       | 6,842,414         | (9,342,923)         |
|                                                                                                                                                                                                                    | 321,118           | 9,692,568         | (9,371,450)         |
| <b>Insurance</b>                                                                                                                                                                                                   |                   |                   |                     |
| Net Premiums                                                                                                                                                                                                       | 1,182,461         | 2,226,078         | (1,043,617)         |
| Policy Fees                                                                                                                                                                                                        | 1,261,721         | 1,137,805         | 123,916             |
| Net Investment Income                                                                                                                                                                                              | 4,118,246         | 2,845,623         | 1,272,623           |
| Net Investment-Related Gains (Losses)                                                                                                                                                                              | (1,318,490)       | 203,753           | (1,522,243)         |
| Other Income                                                                                                                                                                                                       | 139,124           | 120,213           | 18,911              |
|                                                                                                                                                                                                                    | 5,383,062         | 6,533,472         | (1,150,410)         |
| <b>Total Revenues</b>                                                                                                                                                                                              | <b>5,704,180</b>  | <b>16,226,040</b> | <b>(10,521,860)</b> |
| <b>Expenses</b>                                                                                                                                                                                                    |                   |                   |                     |
| <b>Asset Management</b>                                                                                                                                                                                            |                   |                   |                     |
| Compensation and Benefits                                                                                                                                                                                          | 1,144,666         | 4,428,743         | (3,284,077)         |
| Occupancy and Related Charges                                                                                                                                                                                      | 77,271            | 69,084            | 8,187               |
| General, Administrative and Other                                                                                                                                                                                  | 993,548           | 959,077           | 34,471              |
|                                                                                                                                                                                                                    | 2,215,485         | 5,456,904         | (3,241,419)         |
| <b>Insurance</b>                                                                                                                                                                                                   |                   |                   |                     |
| Net Policy Benefits and Claims (including market risk benefit loss (gain) of \$(673,399) and \$(152,424), respectively; remeasurement (gain) loss on policy liabilities: \$(57,128) and \$(71,227), respectively.) | 2,358,238         | 4,816,879         | (2,458,641)         |
| Amortization of Policy Acquisition Costs                                                                                                                                                                           | 55,349            | (35,377)          | 90,726              |
| Interest Expense                                                                                                                                                                                                   | 87,182            | 61,661            | 25,521              |

|                                                    |                  |                   |                     |
|----------------------------------------------------|------------------|-------------------|---------------------|
| Insurance Expenses                                 | 562,585          | 358,878           | 203,707             |
| General, Administrative and Other                  | 718,977          | 555,321           | 163,656             |
|                                                    | 3,782,331        | 5,757,362         | (1,975,031)         |
| <b>Total Expenses</b>                              | <b>5,997,816</b> | <b>11,214,266</b> | <b>(5,216,450)</b>  |
| <b>Investment Income (Loss) - Asset Management</b> |                  |                   |                     |
| Net Gains (Losses) from Investment Activities      | (1,665,537)      | 7,720,923         | (9,386,460)         |
| Dividend Income                                    | 1,322,447        | 698,800           | 623,647             |
| Interest Income                                    | 1,895,282        | 1,485,470         | 409,812             |
| Interest Expense                                   | (1,550,777)      | (1,070,368)       | (480,409)           |
| <b>Total Investment Income (Loss)</b>              | <b>1,415</b>     | <b>8,834,825</b>  | <b>(8,833,410)</b>  |
| <b>Income (Loss) Before Taxes</b>                  | <b>(292,221)</b> | <b>13,846,599</b> | <b>(14,138,820)</b> |
| <b>Income Tax Expense (Benefit)</b>                | <b>125,393</b>   | <b>1,394,882</b>  | <b>(1,269,489)</b>  |

|                                                                       | Years Ended         |                     |                       |
|-----------------------------------------------------------------------|---------------------|---------------------|-----------------------|
|                                                                       | December 31, 2022   | December 31, 2021   | Change                |
|                                                                       | (\$ in thousands)   |                     |                       |
| <b>Net Income (Loss)</b>                                              | (417,614)           | 12,451,717          | (12,869,331)          |
| Net Income (Loss) Attributable to Redeemable Noncontrolling Interests | 2,792               | 4,060               | (1,268)               |
| Net Income (Loss) Attributable to Noncontrolling Interests            | 101,258             | 7,715,251           | (7,613,993)           |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>           | <b>(521,664)</b>    | <b>4,732,406</b>    | <b>(5,254,070)</b>    |
| Series A Preferred Stock Dividends                                    | —                   | 23,656              | (23,656)              |
| Series B Preferred Stock Dividends                                    | —                   | 12,991              | (12,991)              |
| Series C Mandatory Convertible Preferred Stock Dividends              | 69,000              | 69,000              | —                     |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>           |                     |                     |                       |
| <b>Common Stockholders</b>                                            | <b>\$ (590,664)</b> | <b>\$ 4,626,759</b> | <b>\$ (5,217,423)</b> |

## Consolidated Results of Operations (GAAP Basis) - Asset Management

### Revenues

For the years ended December 31, 2022 and 2021, revenues consisted of the following:

|                        | Years Ended       |                   |            |
|------------------------|-------------------|-------------------|------------|
|                        | December 31, 2022 | December 31, 2021 | Change     |
|                        | (\$ in thousands) |                   |            |
| Management Fees        | \$ 1,682,466      | \$ 1,301,975      | \$ 380,491 |
| Fee Credits            | (532,355)         | (464,594)         | (67,761)   |
| Transaction Fees       | 1,316,637         | 1,552,621         | (235,984)  |
| Monitoring Fees        | 131,750           | 134,472           | (2,722)    |
| Incentive Fees         | 33,537            | 55,701            | (22,164)   |
| Expense Reimbursements | 102,927           | 178,572           | (75,645)   |
| Consulting Fees        | 86,665            | 91,407            | (4,742)    |

|                                                     |             |              |                |
|-----------------------------------------------------|-------------|--------------|----------------|
| <b>Total Fees and Other</b>                         | 2,821,627   | 2,850,154    | (28,527)       |
| Carried Interest                                    | (2,068,662) | 5,388,354    | (7,457,016)    |
| General Partner Capital Interest                    | (431,847)   | 1,454,060    | (1,885,907)    |
| <b>Total Capital Allocation-Based Income (Loss)</b> | (2,500,509) | 6,842,414    | (9,342,923)    |
| <b>Total Revenues - Asset Management</b>            | \$ 321,118  | \$ 9,692,568 | \$ (9,371,450) |

## Fees and Other

Total Fees and Other for the year ended December 31, 2022 decreased compared to the year ended December 31, 2021 primarily as a result of a lower level of transaction fees, which was partially primarily offset by an increase in management fees.

For a more detailed discussion of the factors that affected our transaction fees during the period, see "—Analysis of Asset Management Segment Operating Earnings Results."

The increase in management fees was primarily attributable to management fees earned from North America Fund XIII, Global Infrastructure Investors IV and European Fund VI. This increase was partially offset by a decrease in management fees earned from European Fund V and Americas Fund XII as a result of entering their post-investment periods and, consequently, we now earn fees based on capital invested rather than capital committed and at a lower fee rate.

Management fees due from consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are funded by, and earned from, noncontrolling interests, upon consolidation under GAAP, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is increased by the amount of fees that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated. For a more detailed discussion on the factors that affect our management fees during the period, see "—Analysis of Asset Management Segment Operating Earnings Results."

Fee credits increased compared to the prior period as a result of a higher level of transaction fees from infrastructure transaction fee-generating investments in our Real Asset business line. Fee credits owed to consolidated investment funds are eliminated upon consolidation under GAAP. However, because these amounts are owed to noncontrolling interests, upon consolidation under GAAP, KKR's allocated share of the net income from the consolidated investment funds is decreased by the amount of fee credits that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated. Transaction and monitoring fees earned from KKR portfolio companies are not eliminated upon consolidation because those fees are earned from companies which are not consolidated. Furthermore, transaction fees earned in our capital markets business are not shared with fund investors. Accordingly, certain transaction fees are reflected in our revenues without a corresponding fee credit.

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## Capital Allocation-Based Income (Loss)

Capital Allocation-Based Income (Loss) for the year ended December 31, 2022 was negative primarily due to the net depreciation of the underlying investments in many of our carry-earning investment funds, most notably Americas Fund XII, Asian Fund II, and Asian Fund III. Capital Allocation-Based Income (Loss) for the year ended December 31, 2021 was positive primarily due to the net appreciation of the underlying investments at our carry earning investment funds, most notably Americas Fund XII, Asian Fund III, and North America Fund XI.

KKR generally calculates the carried interest that would be due to KKR for each investment fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of the reporting date, irrespective of whether such amounts have been realized. Since the fair value of the underlying investments varies between reporting periods, it is necessary to make adjustments to the amounts recorded as carried interest to reflect either (a) positive performance, resulting in an increase in the carried interest allocated to the general partner or (b) negative performance that would cause the amount due to KKR to be less than the amount previously recognized, resulting in a negative adjustment to carried interest allocated to the general partner. In each case, it is necessary to calculate the carried interest on cumulative results compared to the carried interest recorded to date and to make the required positive or negative adjustments.

## Investment Income (Loss) - Asset Management

### Net Gains (Losses) from Investment Activities for the year ended December 31, 2022

The net losses from investment activities for the year ended December 31, 2022 were comprised of net realized gains of \$1,298.5 million and net unrealized losses of \$(2,964.0) million.

Investment gains and losses relating to our general partner capital interest in our unconsolidated funds are not reflected in our discussion and analysis of Net Gains (Losses) from Investment Activities. Our economics associated with these gains and losses are reflected in Capital Allocation-Based Income (Loss) as described above.

### Realized Gains and Losses from Investment Activities

For the year ended December 31, 2022, net realized gains related primarily to (i) the sale of our investment in Fiserv, Inc. (NASDAQ: FISV), which was a significant contributor to gains from investment activities in 2022 but has now been completely sold and will no longer contribute to gains from investment activities, (ii) realizations on certain foreign exchange forward contracts, and (iii) the sale of real estate investments held in certain consolidated opportunistic real estate equity funds. Partially offsetting these realized gains were realized losses primarily relating to (i) various investments held in our consolidated alternative credit funds, (ii) a realized loss on Magneti Marelli CK Holdings (industrials sector) held in certain consolidated funds and (iii) realized losses from the sales of revolving credit facilities.

### Unrealized Gains and Losses from Investment Activities

For the year ended December 31, 2022, net unrealized losses were driven primarily by mark-to-market losses from (i) investments held in our consolidated CLOs and in certain consolidated alternative credit funds, (ii) OutSystems Holdings S.A. (technology sector) held in certain consolidated funds and (iii) the reversal of previously recognized unrealized gains relating to the realization activity described above. These unrealized losses were partially offset by mark-to-market gains related to (i) investments held in certain consolidated energy funds, (ii) USI, Inc. (financial services sector), and (iii) ERM Worldwide Group Limited (services sector), Limited.

The extent and the factors that affect each investment strategy vary depending on the nature of the asset class and the valuation methodology employed. For the year ended December 31, 2022 net unrealized losses were primarily generated in the following asset classes:

- Private Traditional private equity (excluding core private equity), which was primarily impacted by (i) the negative returns of global equity markets and the related reduction of market multiples used in the market comparables methodology for the valuation of Level III investments, and (ii) the negative impact of higher interest rates and a higher market risk premium in 2022 on discount rates used in the discounted cash flow methodology for the valuation of Level III investments;
- Credit, which were primarily impacted by the widening of the credit spreads observed in the credit markets in 2022; and

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- Real estate, which, notwithstanding the positive operating performance of certain properties, was negatively impacted by the reversal of previously recognized unrealized gains relating to the realization activity described above and the capitalization rates widening in the fourth quarter of 2022.

Partially offsetting the losses in the asset classes above, there were the unrealized gains generated in the following asset classes:

- Infrastructure and energy, which generally benefited from (i) higher oil and gas prices and (ii) the positive operating performance of certain infrastructure assets; and
- Core private equity, which generally benefited from the positive operating performance of its portfolio companies.

For a discussion of other See "Risk Factors" and "—Business Environment" for more information about the factors that affected KKR's realized investment income, see "—Analysis of Asset Management Segment Operating Results", may impact our business, financial performance, operating results and valuation.

## *Net Gains (Losses) from Investment Activities for the year ended December 31, 2021*

The net gains from investment activities for the year ended December 31, 2021 were comprised of net realized gains of \$2,382.2 million and net unrealized gains of \$5,338.7 million.

### *Realized Gains and Losses from Investment Activities*

For the year ended December 31, 2021, net realized gains related primarily to the sales of investments held by KKR and certain consolidated funds, the most significant of which were in FanDuel Inc. (technology sector), Mr. Cooper Group Inc. (NASDAQ: COOP), and Darktrace Limited (LSE: DARK). Partially offsetting these realized gains were realized losses, the most significant of which were realized losses from various investments held in our consolidated credit funds and realized losses on certain hedging instruments.

### *Unrealized Gains and Losses from Investment Activities*

For the year ended December 31, 2021, net unrealized gains related primarily to mark-to-market gains from investments held by KKR and certain consolidated funds, the most significant of which were PetVet Care Centers, LLC, (health care sector), Heartland Dental LLC (health care (healthcare sector) and OutSystems Holdings S.A. Partially offsetting these unrealized gains were unrealized losses, the most significant of which were (i) the reversal of previously recognized unrealized gains relating to the realization activity described above and (ii) an unrealized loss on BridgeBio Pharma, Inc. (NASDAQ: BBIO).

For a discussion of other factors that affected KKR's realized investment income, see "—Analysis of Asset Management Segment Operating Results". For additional information about net gains (losses) from investment activities, see and Note 5.4 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements.

## **Dividend Income**

During the year ended December 31, 2022, the most significant dividends received included dividend income was primarily from (i) \$441.2 million from investments held in our consolidated core plus and opportunistic real estate equity funds and (ii) \$86.6 million from our investment in Exact Group B.V. (technology sector) held in our consolidated core vehicles. During the year ended December 31, 2021, the most significant dividends received included dividend income was primarily from (i) \$215.5 million from our consolidated real estate funds, (ii) \$138.7 million from our investment in Viridor Limited (Infrastructure: (infrastructure: energy and energy transition sector), and (iii) \$70.9 million from our investment in Arnott's Biscuits Limited (consumer products sector).

Significant dividends from portfolio companies and consolidated funds are generally not recurring quarterly dividends, and while they may occur in the future, their size and frequency are variable. For a discussion of other factors that affected KKR's dividend income, see "—Analysis of Asset Management Segment Operating Results."

## **Interest Income**

The increase in interest income during the year ended December 31, 2022 compared to the year ended December 31, 2021 was primarily due to the (i) impact of closing additional CLOs that were consolidated during 2022 and higher interest rates on assets held in consolidated CLOs and (ii) a higher level of interest income from investments held in certain of our consolidated alternative credit funds, primarily related to an increase in the amount of capital deployed and higher interest rates. Partially offsetting these increases

was the deconsolidation of KREF in the fourth quarter of 2021. For a discussion of other factors that affected KKR's interest income, see "—Analysis of Asset Management Segment Operating Results."

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### Interest Expense

The increase in interest expense during the year ended December 31, 2022 compared to the year ended December 31, 2021 was primarily due to (i) an increase in the amount of borrowings outstanding from consolidated funds and other vehicles, (ii) the impact of closing additional CLOs that were consolidated during 2022 and higher interest rates on debt obligations held in consolidated CLOs, and (iii) the impact of issuances of our notes after December 31, 2021. Partially offsetting these increases was the deconsolidation of KREF in the fourth quarter of 2021. For a discussion of other factors that affected KKR's interest expense, see "—Analysis of Non-GAAP Performance Measures."

### Expenses - Asset Management

#### Compensation and Benefits ~~Expenses~~

The decrease in compensation and benefits ~~expense~~ during the year ended December 31, 2022 compared to the year ended December 31, 2021 was primarily due to the reversal of previously recognized accrued carried interest, partially offset by (i) higher equity-based compensation charges and (ii) a higher level of discretionary cash compensation resulting from a higher level of segment fee related revenue and realized performance income in the current period.

#### General, Administrative and Other

The increase in general, administrative and other ~~expenses~~ during the year ended December 31, 2022 compared to the year ended December 31, 2021 was primarily due to a higher level of (i) expenses at our consolidated funds and investment vehicles, (ii) strategic corporate transaction-related charges, (iii) professional fees, information technology and other administrative costs in connection with the growth of the firm, and (iv) travel related expenses as a result of a return of travel activity to ~~pre-COVID-19~~ ~~pre-~~ COVID-19 pandemic levels.

In periods of significant fundraising and to the extent that we use third parties to assist in our capital raising efforts, our General, Administrative and Other are expected to increase accordingly. Similarly, our General, Administrative and Other expenses are expected to increase as a result of increased levels ~~of professional and other fees incurred as part of due diligence related to strategic acquisitions and new product development.~~

### Consolidated Results of Operations (GAAP Basis) - Insurance

~~For the year ended December 31, 2021, the results of Global Atlantic's insurance operations included in our consolidated results of operations are from the acquisition date, February 1, 2021, through December 31, 2021.~~

#### Assumption review

~~The assumptions on which reserves, deferred revenue and expenses are based are intended to represent an estimation of the benefits that are expected to be payable to, and fees or premiums that are expected to be collectible from, policyholders in future periods. Global Atlantic reviews the adequacy of its reserves, deferred revenue and expenses and the assumptions underlying those items at least annually, usually in the third quarter. As Global Atlantic analyzes its assumptions, to the extent Global Atlantic chooses to update one or more of those assumptions, there may be an "unlocking" impact. Generally, favorable unlocking means the change in assumptions required a reduction in reserves, or in deferred revenue liabilities or an increase in deferred expenses, and unfavorable unlocking means the change in assumptions required an increase in reserves or in deferred revenue liabilities, or a reduction in deferred expenses.~~

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~~The following table reflects the impact on net income by financial statement line item and to insurance segment adjusted operating earnings from Global Atlantic's assumption review.~~

|                                                                                                 | Years Ended        |                   |                    |
|-------------------------------------------------------------------------------------------------|--------------------|-------------------|--------------------|
|                                                                                                 | December 31, 2022  | December 31, 2021 | Change             |
|                                                                                                 | (\$ in thousands)  |                   |                    |
| Impacts of assumption review, by statement of income line item:                                 |                    |                   |                    |
| Policy fees                                                                                     | \$ (14)            | \$ 182            | \$ (196)           |
| Policy benefits and claims                                                                      | (23,079)           | 20,904            | (43,983)           |
| Amortization of policy acquisition costs                                                        | 7,686              | (2,119)           | 9,805              |
| Income tax impact                                                                               | 3,236              | (3,983)           | 7,219              |
| <b>Total assumption review impact on net income</b>                                             | <b>\$ (12,171)</b> | <b>\$ 14,984</b>  | <b>\$ (27,155)</b> |
| Assumption review impact on adjustments to derive insurance segment adjusted operating earnings | (157)              | (97)              | (60)               |
| Noncontrolling interests' share of assumption review impact                                     | 4,749              | (5,734)           | 10,483             |



|                                                                                 |    |         |    |       |    |          |
|---------------------------------------------------------------------------------|----|---------|----|-------|----|----------|
| Total assumption review impact on insurance segment adjusted operating earnings | \$ | (7,579) | \$ | 9,153 | \$ | (16,732) |
|---------------------------------------------------------------------------------|----|---------|----|-------|----|----------|

For the year ended December 31, 2022, the net unfavorable unlocking impact on net income and insurance segment adjusted operating earnings was primarily due to an increase in expected future surrender experience of annuity policies, partially as a result of higher interest rates, and a decrease in expected future surrender experience of life insurance policies. For the year ended December 31, 2021, the net favorable unlocking impact on net income and insurance segment adjusted operating earnings was primarily due to lower expected future mortality rates.

## Revenues

For the years ended December 31, 2022 and 2021, revenues consisted of the following:

|                                 | Years Ended         |                     |                       |
|---------------------------------|---------------------|---------------------|-----------------------|
|                                 | December 31, 2022   | December 31, 2021   | Change                |
|                                 | (\$ in thousands)   |                     |                       |
| Net Premiums                    | \$ 1,182,461        | \$ 2,226,078        | \$ (1,043,617)        |
| Policy Fees                     | 1,278,736           | 1,147,913           | 130,823               |
| Net Investment Income           | 4,118,246           | 2,845,623           | 1,272,623             |
| Net Investment-Related Gains    | (1,318,490)         | 203,753             | (1,522,243)           |
| Other Income                    | 139,124             | 120,213             | 18,911                |
| <b>Total Insurance Revenues</b> | <b>\$ 5,400,077</b> | <b>\$ 6,543,580</b> | <b>\$ (1,143,503)</b> |

### Net Premiums

Net premiums decreased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to lower initial premiums related to fewer reinsurance transactions with life contingencies assumed during the year ended December 31, 2022 as compared to the year ended December 31, 2021. The decrease was partially offset by lower retrocessions to third party reinsurers during the year ended December 31, 2022 as compared to the year ended December 31, 2021. The initial premiums on assumed reinsurance were offset by a comparable increase in policy reserves reported within net policy benefits and claims (as discussed below).

### Policy fees

Policy fees increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to one less month of activity reported in the prior financial reporting period as a result of the GA Acquisition on February 1, 2021.

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### Net investment income

Net investment income increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) higher yields on floating-rate investments due to higher market interest rates, (ii) rotation into higher yielding assets, (iii) increased average assets under management due to growth in assets in our institutional market channel as a result of new reinsurance transactions and individual market channel sales, and (iv) one less month of activity reported in the prior financial reporting period as a result of the GA Acquisition having occurred on February 1, 2021.

### Net investment-related losses

The components of net investment-related losses were as follows:

|                                                | Years Ended           |                   |                       |
|------------------------------------------------|-----------------------|-------------------|-----------------------|
|                                                | December 31, 2022     | December 31, 2021 | Change                |
|                                                | (\$ in thousands)     |                   |                       |
| Funds withheld payable embedded derivatives    | \$ 3,448,710          | \$ 49,491         | \$ 3,399,219          |
| Equity futures contracts                       | 167,924               | (263,637)         | 431,561               |
| Foreign currency forwards                      | 18,929                | 2,484             | 16,445                |
| Credit risk contracts                          | (108)                 | (400)             | 292                   |
| Equity index options                           | (895,602)             | 549,987           | (1,445,589)           |
| Interest rate contracts                        | (333,937)             | (146,920)         | (187,017)             |
| Funds withheld receivable embedded derivatives | (29,390)              | 31,740            | (61,130)              |
| Other                                          | (29,779)              | —                 | (29,779)              |
| <b>Net gains on derivative instruments</b>     | <b>2,346,747</b>      | <b>222,745</b>    | <b>2,124,002</b>      |
| Net other investment losses                    | (3,665,237)           | (18,992)          | (3,646,245)           |
| <b>Net investment-related losses</b>           | <b>\$ (1,318,490)</b> | <b>\$ 203,753</b> | <b>\$ (1,522,243)</b> |

### Net gains on derivative instruments

The increase in the fair value of embedded derivatives on funds withheld at interest payable for the year ended December 31, 2022 was primarily driven by the change in fair value of the underlying investments in the funds withheld at interest payable portfolio, which is primarily comprised of fixed maturity securities (designated as trading for accounting purposes), mortgage and other loan receivables, and other investments. The underlying investments in the funds withheld at interest payable portfolio declined in value in the current period primarily due to an increase in market interest rates and wider credit spreads.

The increase in the fair value of equity futures was driven primarily by the performance of equity markets. Global Atlantic purchases equity futures primarily to hedge the market risk in our variable annuity products which are accounted for in net policy benefits and claims. The majority of Global Atlantic's equity futures are based on the S&P 500 Index, which decreased during the year ended December 31, 2022, as compared to an increase during the year ended December 31, 2021, resulting in, respectively, a gain and a loss on equity futures contracts in the respective periods.

The decrease in the fair value of equity index options was primarily driven by the performance of the indexes upon which call options are based. Global Atlantic purchases equity index options to hedge the market risk of embedded derivatives in indexed universal life and fixed-indexed annuity products (the change in which is accounted for in net policy benefits and claims). The majority of Global Atlantic's equity index call options are based on the S&P 500 Index, which decreased during the year ended December 31, 2022, as compared to the increase during the year ended December 31, 2021.

The decrease in the fair value of interest rate contracts was driven by an increase in market interest rates during both the year ended December 31, 2022 and the prior financial reporting period, resulting in a loss on interest rate contracts.

The decrease in the fair value of embedded derivatives on funds withheld at interest receivable was primarily due to widening of credit spreads during the year ended December 31, 2022, as compared to the tightening of credit spreads in the year ended December 31, 2021.

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### Net other investment losses

The components of net other investment losses were as follows:

|                                                                                                                   | Years Ended           |                    |                       |
|-------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------|-----------------------|
|                                                                                                                   | December 31, 2022     | December 31, 2021  | Change                |
|                                                                                                                   | (\$ in thousands)     |                    |                       |
| Realized gains on investments not supporting asset-liability matching strategies                                  | \$ 87,198             | \$ 527,788         | \$ (440,590)          |
| Realized losses on available-for-sale fixed maturity debt securities                                              | (559,987)             | (201,411)          | (358,576)             |
| Credit loss allowances                                                                                            | (456,176)             | (249,338)          | (206,838)             |
| Unrealized losses on fixed maturity securities classified as trading                                              | (2,603,874)           | (118,714)          | (2,485,160)           |
| Unrealized gains on investments classified as trading or fair-value option                                        | 60,237                | 39,758             | 20,479                |
| Unrealized (losses) gains on real estate investments recognized at fair value under investment company accounting | (42,870)              | 35,418             | (78,288)              |
| Realized gains (losses) on funds withheld at interest, payable portfolio                                          | 38,074                | (30,015)           | 68,089                |
| Realized gains (losses) on funds withheld at interest, receivable portfolio                                       | (3,176)               | 12,418             | (15,594)              |
| Other                                                                                                             | (184,663)             | (34,896)           | (149,767)             |
| <b>Net investment-related gains</b>                                                                               | <b>\$ (3,665,237)</b> | <b>\$ (18,992)</b> | <b>\$ (3,646,245)</b> |

The increase in net other investment losses for the year ended December 31, 2022 were primarily due to (i) an increase in unrealized losses on fixed maturity securities classified as trading was primarily due to an increase in interest rates and widening credit spreads in the current period, (ii) a decrease in realized gains on investments not supporting asset-liability matching strategies primarily due to the non-recurrence of a gain from the disposition of Origis USA, LLC (Infrastructure: energy and energy transition sector) in the prior financial reporting period, (iii) the increase in realized losses on available-for-sale fixed maturity debt securities primarily due to portfolio rotation in a higher interest rate environment, (iv) an increase in credit loss allowances on mortgage and other loan receivables in the current period primarily due to an increase in credit risk of our loan portfolio, offset in part by the recognition of an initial credit loan loss allowance upon the adoption of the current expected credit loss accounting standard concurrent with the GA Acquisition in the prior financial reporting period, and (v) realized losses on renewable energy investments in the current period.

Offsetting these losses were realized gains on funds withheld at interest payable portfolio.

### Other income

Other income increased for the year ended December 31, 2022 as compared to the prior financial reporting period primarily due to one less month of activity reported in the prior financial reporting period as a result of the GA Acquisition having occurred on February 1, 2021.

### Expenses

#### Net policy benefits and claims

Net policy benefits and claims decreased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) lower initial reserves assumed related to fewer new reinsurance transactions with life contingencies in the year ended December 31, 2022 as compared to the year ended December 31, 2021, and (ii) a

decrease in the value of embedded derivatives in Global Atlantic's indexed universal life and fixed indexed annuity products, as a result of lower equity market returns (as discussed above under "Revenues—Net gains on derivatives instruments," Global Atlantic purchases equity index options in order to hedge this risk, the fair value changes of which are accounted for in gains on derivative instruments, and generally offsetting the change in embedded derivative fair value reported in net policy benefits and claims). This decrease was offset by (i) one less month of activity reported in the prior financial reporting period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) an increase in net flows from both individual and institutional market channel sales, (iii) an increase in variable annuity reserves primarily due to lower equity market returns, (iv) higher funding costs on new business, and (v) unfavorable unlocking related to the assumption review described above under "—Consolidated Results of Operations (GAAP Basis)—Insurance (Unaudited)—Assumption Review."

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### **Amortization of policy acquisition costs**

Amortization of policy acquisition costs increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) a decrease in the net benefit (that is, a reduction to expense) from the amortization of the net negative insurance intangibles recognized as part of purchase accounting of the GA Acquisition, as the underlying business runs off, and (ii) growth in our individual market channel. Offsetting these increases in expense was (i) a decrease of amortization due to realized investment losses in the current period, and (ii) favorable unlocking related to the assumption review described above under "—Consolidated Results of Operations (GAAP Basis)—Insurance (Unaudited)—Assumption Review."

### **Interest expense**

Interest expense increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) a net increase in debt outstanding, including a draw on Global Atlantic's revolving credit facility in the quarter ended March 31, 2022, (ii) an increase in interest expense on floating rate debt (Global Atlantic's revolving facility and fixed-to-floating swaps on Global Atlantic's fixed rate debt) due to higher market rates, and (iii) the impact of one less month of activity reported in the prior financial reporting period as a result of the GA Acquisition having occurred on February 1, 2021.

### **Insurance expenses**

Insurance expenses increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) one less month of activity reported in the prior financial reporting period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) increased commission expense related to increased sales in our individual market and increased reinsurance transactions, and (iii) increased reinsurance ceding expense allowances paid for policy administration services as a result of an increase in reinsurance transactions.

### **General, administrative and other**

General, administrative and other expenses increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) one less month of activity reported in the prior financial reporting period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) increased employee compensation and benefits related expenses, (iii) increased professional service fees, and (iv) increased third-party administrator ("TPA") policy servicing fees, all due to growth of the business.

## **Other Consolidated Results of Operations (GAAP Basis)**

### **Income Tax Expense (Benefit)**

For the year ended December 31, 2022, income tax was a benefit of \$35.7 million compared to an income tax expense of \$1,353.3 million in the prior period. The tax benefit in the current period was generated primarily from deferred tax benefits recorded in connection with pre-tax unrealized losses driven by net capital allocation-based losses and investment losses offset by income tax expense relating to Global Atlantic's insurance operations. For a discussion of factors that impacted KKR's tax provision, see Note 19 "Income Taxes" to the financial statements included elsewhere in this report. The amount of U.S. federal and state corporate income taxes we pay in future periods may be materially increased if adverse tax laws become enacted. See "—Business Environment—Economic and Market Conditions" in this report.

### **Net Income (Loss) Attributable to Noncontrolling Interests**

Net Income (Loss) attributable to noncontrolling interests for the year ended December 31, 2022 relates primarily to net income (loss) attributable to (i) exchangeable securities representing ownership interests in KKR Group Partnership, (ii) third-party limited partner interests in consolidated investment funds, and (iii) interests that co-investors and rollover investors hold in Global Atlantic. The net loss attributable to noncontrolling interests for the year ended December 31, 2022 was primarily due to (i) net losses from investment activities at our consolidated investment funds and (ii) a net loss attributable to exchangeable securities in the current period.

### **Net Income (Loss) Attributable to KKR & Co. Inc.**

The net loss attributable to KKR & Co. Inc. for the year ended December 31, 2022 was primarily due to (i) net capital allocation-based losses and (ii) net losses from investment activities, partially offset by (i) a higher level of management fees and (ii) a reversal of previously recognized accrued carried interest compensation, as described above.

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## **Consolidated Results of Operations (GAAP Basis)**

The following is a discussion of our consolidated results of operations for the years ended December 31, 2021 and 2020. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report. See also "—Business Environment" for more information about factors that may affect our business, financial performance, operating results and valuations.

|                                               | Years Ended       |                   |            |
|-----------------------------------------------|-------------------|-------------------|------------|
|                                               | December 31, 2021 | December 31, 2020 | Change     |
|                                               | (\$ in thousands) |                   |            |
| Revenues                                      |                   |                   |            |
| Asset Management                              |                   |                   |            |
| Fees and Other                                | \$ 2,850,154      | \$ 2,006,791      | \$ 843,363 |
| Capital Allocation-Based Income (Loss)        | 6,842,414         | 2,224,100         | 4,618,314  |
|                                               | 9,692,568         | 4,230,891         | 5,461,677  |
| Insurance                                     |                   |                   |            |
| Net Premiums                                  | 2,226,078         | —                 | 2,226,078  |
| Policy Fees                                   | 1,147,913         | —                 | 1,147,913  |
| Net Investment Income                         | 2,845,623         | —                 | 2,845,623  |
| Net Investment-Related Gains (Losses)         | 203,753           | —                 | 203,753    |
| Other Income                                  | 120,213           | —                 | 120,213    |
|                                               | 6,543,580         | —                 | 6,543,580  |
| Total Revenues                                | 16,236,148        | 4,230,891         | 12,005,257 |
| Expenses                                      |                   |                   |            |
| Asset Management                              |                   |                   |            |
| Compensation and Benefits                     | 4,428,743         | 2,152,490         | 2,276,253  |
| Occupancy and Related Charges                 | 69,084            | 72,100            | (3,016)    |
| General, Administrative and Other             | 959,077           | 708,542           | 250,535    |
|                                               | 5,456,904         | 2,933,132         | 2,523,772  |
| Insurance                                     |                   |                   |            |
| Net Policy Benefits and Claims                | 5,055,709         | —                 | 5,055,709  |
| Amortization of Policy Acquisition Costs      | (65,949)          | —                 | (65,949)   |
| Interest Expense                              | 61,661            | —                 | 61,661     |
| Insurance Expenses                            | 358,878           | —                 | 358,878    |
| General, Administrative and Other             | 555,321           | —                 | 555,321    |
|                                               | 5,965,620         | —                 | 5,965,620  |
| Total Expenses                                | 11,422,524        | 2,933,132         | 8,489,392  |
| Investment Income (Loss) - Asset Management   |                   |                   |            |
| Net Gains (Losses) from Investment Activities | 7,720,923         | 3,642,804         | 4,078,119  |
| Dividend Income                               | 698,800           | 352,563           | 346,237    |
| Interest Income                               | 1,485,470         | 1,403,440         | 82,030     |
| Interest Expense                              | (1,070,368)       | (969,871)         | (100,497)  |
| Total Investment Income (Loss)                | 8,834,825         | 4,428,936         | 4,405,889  |
| Income (Loss) Before Taxes                    | 13,648,449        | 5,726,695         | 7,921,754  |
| Income Tax Expense (Benefit)                  | 1,353,270         | 609,097           | 744,173    |

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|                                                                       | Years Ended       |                   |                  |
|-----------------------------------------------------------------------|-------------------|-------------------|------------------|
|                                                                       | December 31, 2021 | December 31, 2020 | Change           |
|                                                                       | (\$ in thousands) |                   |                  |
| <b>Net Income (Loss)</b>                                              | <b>12,295,179</b> | <b>5,117,598</b>  | <b>7,177,581</b> |
| Net Income (Loss) Attributable to Redeemable Noncontrolling Interests | 4,060             | —                 | 4,060            |

|                                                             |                     |                     |                     |
|-------------------------------------------------------------|---------------------|---------------------|---------------------|
| Net Income (Loss) Attributable to Noncontrolling Interests  | 7,624,643           | 3,115,089           | 4,509,554           |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b> | <b>4,666,476</b>    | <b>2,002,509</b>    | <b>2,663,967</b>    |
| Series A Preferred Stock Dividends                          | 23,656              | 23,288              | 368                 |
| Series B Preferred Stock Dividends                          | 12,991              | 10,076              | 2,915               |
| Series C Mandatory Convertible Preferred Stock Dividends    | 69,000              | 23,191              | 45,809              |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b> |                     |                     |                     |
| <b>Common Stockholders</b>                                  | <b>\$ 4,560,829</b> | <b>\$ 1,945,954</b> | <b>\$ 2,614,875</b> |

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## Consolidated Results of Operations (GAAP Basis) - Asset Management

### Revenues

For the years ended December 31, 2021 and 2020, revenues consisted of the following:

|                                                     | Years Ended         |                     |                     |
|-----------------------------------------------------|---------------------|---------------------|---------------------|
|                                                     | December 31, 2021   | December 31, 2020   | Change              |
|                                                     | (\$ in thousands)   |                     |                     |
| Management Fees                                     | \$ 1,301,975        | \$ 965,664          | \$ 336,311          |
| Fee Credits                                         | (464,594)           | (299,415)           | (165,179)           |
| Transaction Fees                                    | 1,552,621           | 950,205             | 602,416             |
| Monitoring Fees                                     | 134,472             | 127,907             | 6,565               |
| Incentive Fees                                      | 55,701              | 10,404              | 45,297              |
| Expense Reimbursements                              | 178,572             | 149,522             | 29,050              |
| Oil and Gas Revenue                                 | —                   | 21,054              | (21,054)            |
| Consulting Fees                                     | 91,407              | 81,450              | 9,957               |
| <b>Total Fees and Other</b>                         | <b>2,850,154</b>    | <b>2,006,791</b>    | <b>843,363</b>      |
| Carried Interest                                    | 5,388,354           | 1,719,527           | 3,668,827           |
| General Partner Capital Interest                    | 1,454,060           | 504,573             | 949,487             |
| <b>Total Capital Allocation-Based Income (Loss)</b> | <b>6,842,414</b>    | <b>2,224,100</b>    | <b>4,618,314</b>    |
| <b>Total Revenues - Asset Management</b>            | <b>\$ 9,692,568</b> | <b>\$ 4,230,891</b> | <b>\$ 5,461,677</b> |

### Fees and Other

Total Fees and Other for the year ended December 31, 2021 increased compared to the year ended December 31, 2020 primarily as a result of the increase in transaction fees and management fees.

For a more detailed discussion of the factors that affected our transaction fees during the period, see "—Analysis of Asset Management Segment Operating Results."

The increase in management fees was primarily attributable to management fees earned from (i) North America Fund XIII, Global Infrastructure Investors IV, and Health Care Strategic Growth Fund II, all of which entered their investment periods in 2021 and (ii) Asian Fund IV, which entered its investment period in the third quarter of 2020. These increases were partially offset by a decrease in management fees earned from Asian Fund III, Americas Fund XII, and Global Infrastructure Investors III as a result of entering their post-investment periods in the third quarter of 2020, second quarter of 2021 and second quarter of 2021, respectively, with all three investment funds now earning fees based on capital invested rather than capital committed and at a lower fee rate for Asian Fund III and Americas Fund XII.

Management fees due from consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are funded by, and earned from, noncontrolling interests, upon consolidation under GAAP, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is increased by the amount of fees that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated. For a more detailed discussion on the factors that affect our management fees during the period, see "—Analysis of Asset Management Segment Operating Results."

Fee credits increased compared to the prior period as a result of a higher level of transaction fees in our Private Equity, Real Assets, and Credit and Liquid Strategies business lines. Fee credits owed to consolidated investment funds are eliminated upon consolidation under GAAP. However, because these amounts are owed to noncontrolling interests, upon consolidation under GAAP, KKR's allocated share of the net income from the consolidated investment funds is decreased by the amount of fee credits that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated. Transaction and monitoring fees earned from KKR portfolio companies are not eliminated upon consolidation because those fees are earned from companies which are not consolidated. Furthermore,

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transaction fees earned in our Capital Markets business line are not shared with fund investors. Accordingly, certain transaction fees are reflected in revenues without a corresponding fee credit.

**Capital Allocation-Based Income (Loss)**

The increase in carried interest and general partner capital interest during the year ended December 31, 2021 compared to the prior period was due primarily to a higher level of net appreciation in the value of our investment portfolio as compared to the year ended December 31, 2020. Capital Allocation-Based Income (Loss) for the year ended December 31, 2021 was positive primarily due to the net appreciation of the underlying investments at our carry-earning investment funds, most notably Americas Fund XII, Asian Fund III and North America Fund XI. Capital Allocation-Based Income (Loss) for the year ended December 31, 2020 was positive due to the net appreciation of the underlying investments at our carry-earning investment funds, most notably Americas Fund XII, Asian Fund III and North America Fund XI.

KKR generally calculates the carried interest that would be due to KKR for each investment fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of the reporting date, irrespective of whether such amounts have been realized. Since the fair value of the underlying investments varies between reporting periods, it is necessary to make adjustments to the amounts recorded as carried interest to reflect either (a) positive performance resulting in an increase in the carried interest allocated to the general partner or (b) negative performance that would cause the amount due to KKR to be less than the amount previously recognized, resulting in a negative adjustment to carried interest allocated to the general partner. In each case, it is necessary to calculate the carried interest on cumulative results compared to the carried interest recorded to date and to make the required positive or negative adjustments.

**Investment Income (Loss) - Asset Management**

*Net Gains (Losses) from Investment Activities for the year ended December 31, 2021*

The net gains from investment activities for the year ended December 31, 2021 were comprised of net realized gains of \$2,382.2 million and net unrealized gains of \$5,338.7 million.

Investment gains and losses relating to our general partner capital interest in our unconsolidated funds are not reflected in our discussion and analysis of Net Gains (Losses) from Investment Activities. Our economics associated with these gains and losses are reflected in Capital Allocation-Based Income (Loss) as described above. For a discussion and analysis of the investment gains or losses relating to the investments in our unconsolidated funds, see "—Analysis of Asset Management Segment Operating Results."

*Realized Gains and Losses from Investment Activities*

For the year ended December 31, 2021, net realized gains related primarily to the sales of our investments held by KKR and certain consolidated funds, the most significant of which were in FanDuel Inc., Mr. Cooper Group Inc., and Darktrace Limited. Partially offsetting these realized gains were realized losses, the most significant of which were realized losses from certain investments held in our consolidated credit funds and realized losses on certain hedging instruments.

*Unrealized Gains and Losses from Investment Activities*

For the year ended December 31, 2021, net unrealized gains related primarily to mark-to-market gains from our investments held by KKR and certain consolidated funds, the most significant of which were PetVet Care Centers, LLC, Heartland Dental LLC, and OutSystems Holdings S.A. Partially offsetting these unrealized gains were unrealized losses, the most significant of which are (i) the reversal of previously recognized unrealized gains relating to the realization activity described above and (ii) an unrealized loss on BridgeBio Pharma, Inc.

For a discussion of other factors that affected KKR's realized investment income, see "—Analysis of Asset Management Segment Operating Results" and Note 5 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements.

*Net Gains (Losses) from Investment Activities for the year ended December 31, 2020*

The net gains from investment activities for the year ended December 31, 2020 were comprised of net realized gains of \$162.9 million and net unrealized gains of \$3,479.9 million.

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*Realized Gains and Losses from Investment Activities*

For the year ended December 31, 2020, net realized gains related primarily to (i) the sale of our investment in The Hut Group Limited (LSE: THG), (ii) partial sales of our investment in Fiserv, Inc., and (iii) the sale of our investment in Ivalua SAS (technology sector). Partially offsetting these realized gains were realized losses primarily relating to (i) an \$88.3 million impairment charge taken on one of our investments that is accounted for under the equity method of accounting, (ii) a realized loss on the partial sale of our investment in LCI Helicopters Limited (financial services sector) and (iii) the realization of losses on certain investments held through consolidated CLOs and alternative credit funds.

*Unrealized Gains and Losses from Investment Activities*

For the year ended December 31, 2020, net unrealized gains were driven primarily by (i) mark-to-market gains in our growth equity and core investments held by KKR and certain consolidated entities, the most significant of which were BridgeBio Pharma, Inc., FanDuel Inc., and PetVet Care Centers, LLC. Partially offsetting these unrealized gains were unrealized losses relating to (i) the reversal of previously recognized unrealized gains relating to the realization activity described above, (ii) mark-to-market losses on our investment in Fiserv, Inc., which is held both in our funds and as a coinvestment by KKR, and (iii) mark-to-market losses on certain investments held through consolidated alternative credit and real estate funds.



For a discussion of other factors that affected KKR's realized investment income, see "—Analysis of Asset Management Segment Operating Results" and Note 5 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements.

## Dividend Income

During the year ended December 31, 2021, the most significant dividends received included (i) \$215.5 million from our consolidated real estate funds, (ii) \$138.7 million from our investment in Viridor Limited, and (iii) \$70.9 million from our investment in Arnott's Biscuits Limited. During the year ended December 31, 2020, the most significant dividends received included \$152.4 million from our consolidated real estate funds, \$62.5 million from our investment in Fiserv, Inc. part of which is held as a co-investment by KKR, and \$48.9 million from our investment in Epicor Software Corporation (technology sector).

Significant dividends from portfolio companies and consolidated funds are generally not recurring quarterly dividends, and while they may occur in the future, their size and frequency are variable. For a discussion of other factors that affected KKR's dividend income, see "—Analysis of Asset Management Segment Operating Results."

## Interest Income

The increase in interest income during the year ended December 31, 2021 compared to the year ended December 31, 2020 was primarily due to (i) a higher level of interest income from certain of our consolidated credit funds, primarily related to an increase in the amount of capital deployed, and (ii) the impact of closing additional CLOs that are consolidated subsequent to December 31, 2020. Partially offsetting these increases was a lower level of reported interest income from investments at KREF as a result of the deconsolidation of KREF in the fourth quarter of 2021. For a discussion of other factors that affected KKR's interest income, see "—Analysis of Asset Management Segment Operating Results."

## Interest Expense

The increase in interest expense during the year ended December 31, 2021 compared to the year ended December 31, 2020 was primarily due to (i) the impact of issuances of our senior notes, (ii) an increase in the amount of borrowings outstanding from the financing arrangements of consolidated investment funds and other vehicles, and (iii) the impact of closing additional CLOs that were consolidated subsequent to December 31, 2020. Partially offsetting these increases was a lower level of reported interest expense on debt obligations at KREF as a result of the deconsolidation of KREF in the fourth quarter of 2021. For a discussion of other factors that affected KKR's interest expense, see "—Analysis of Non-GAAP Performance Measures."

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## Expenses - Asset Management

### Compensation and Benefits Expenses

The increase in compensation and benefits expenses during the year ended December 31, 2021 compared to the prior period was primarily due to (i) a higher level of accrued carried interest compensation resulting from a higher level of carried interest from the appreciation in the value of our investment portfolio in the current period, (ii) a higher level of accrued discretionary compensation and benefits resulting from a higher level of fee revenue, realized performance income and realized investment income in the current period, and (iii) a higher level of equity-based compensation.

### General, Administrative and Other

The increase in general, administrative and other expenses during the year ended December 31, 2021 compared to the prior period was primarily due to (i) a higher level of expenses at our consolidated CLOs, investment funds and other vehicles, (ii) a higher level of broken-deal expenses, (iii) a higher level of expenses reimbursable by our investment funds, and (iv) placement fees incurred related to capital raising activities.

The level of broken-deal expenses can vary significantly period to period based upon a number of factors, the most significant of which are the number of potential investments being pursued for our investment funds, the size and complexity of investments being pursued and the number of investment funds currently in their investment period. Also, in periods of significant fundraising and to the extent that we use third parties to assist in our capital raising efforts, our General, Administrative and Other may increase accordingly. Similarly, our General, Administrative and Other may increase as a result of professional and other fees incurred as part of due diligence related to strategic acquisitions and new product development.

## Consolidated Results of Operations (GAAP Basis) - Insurance

For the year-ended December 31, 2021, the results of Global Atlantic's insurance operations included in our consolidated results of operations are from the acquisition date, February 1, 2021, through December 31, 2021.

### Assumption review

The assumptions on which reserves, deferred revenue and expenses are based are intended to represent an estimation of the benefits that are expected to be payable to, and fees or premiums that are expected to be collectible from, policyholders in future periods. Global Atlantic reviews the adequacy of its reserves, deferred revenue and expenses and the assumptions underlying those items at least annually, usually in the third quarter. As Global Atlantic analyzes its assumptions, to the extent Global Atlantic chooses to update one or more of those assumptions, there may be an "unlocking" impact. Generally, favorable unlocking means the change in assumptions required a reduction in reserves, or in deferred revenue liabilities, or an increase in deferred expenses, and unfavorable unlocking means the change in assumptions required an increase in reserves or in deferred revenue liabilities, or a reduction in deferred expenses.

The following table reflects the impact on net income **by financial statement line item before taxes** and to insurance segment adjusted operating earnings from Global Atlantic's assumption review:

|                                                                                                 | Year Ended        |         |
|-------------------------------------------------------------------------------------------------|-------------------|---------|
|                                                                                                 | December 31, 2021 |         |
|                                                                                                 | (\$ in thousands) |         |
| Impacts of assumption review, by statement of income line item:                                 |                   |         |
| Policy fees                                                                                     | \$                | 182     |
| Policy benefits and claims                                                                      |                   | 20,904  |
| Amortization of policy acquisition costs                                                        |                   | (2,119) |
| Income tax impact                                                                               |                   | (3,983) |
| Total assumption review impact on net income                                                    | \$                | 14,984  |
| Assumption review impact on adjustments to derive insurance segment adjusted operating earnings |                   | (97)    |
| Noncontrolling interests' share of assumption review impact                                     |                   | (5,734) |
| Total assumption review impact on insurance segment adjusted operating earnings                 | \$                | 9,153   |

|                                                                                                 | Years Ended        |                   |                    |
|-------------------------------------------------------------------------------------------------|--------------------|-------------------|--------------------|
|                                                                                                 | December 31, 2022  | December 31, 2021 | Change             |
|                                                                                                 | (\$ in thousands)  |                   |                    |
| Total assumption review impact on income before taxes (GAAP basis)                              | \$ 57,128          | \$ 71,227         | \$ (14,099)        |
| Assumption review impact on adjustments to derive insurance segment adjusted operating earnings | (89,961)           | (59,247)          | (30,714)           |
| Noncontrolling interests' share of assumption review impact                                     | 12,043             | (4,612)           | 16,655             |
| <b>Total assumption review impact on insurance segment adjusted operating earnings</b>          | <b>\$ (20,790)</b> | <b>\$ 7,368</b>   | <b>\$ (28,158)</b> |

For the year ended December 31, 2022, the net favorable unlocking impact on income before taxes was primarily due to lower utilization of fixed-indexed annuity income benefits and higher variable annuity fees, offset by lower life and annuity surrender rates. For the year ended December 31, 2021, the net favorable unlocking impact on net to income before taxes was primarily due to lower utilization of fixed-indexed annuity income benefits and lower annuity and long-term care claims, offset by higher activation of variable annuity income benefits. The unlocking of assumptions used in the calculation of market risk benefits and other policy reserves accounted for at fair value, which are excluded from the definition of insurance segment adjusted operating earnings, **was primarily due** are reflected in the line item "Assumption review impact on adjustments to favorable mortality experience."

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derive insurance segment adjusted operating earnings."

#### Revenues

For the **year years** ended **December 31, 2022 and** December 31, 2021, revenues consisted of the following:

|                                 | Year Ended        |                  |
|---------------------------------|-------------------|------------------|
|                                 | December 31, 2021 |                  |
|                                 | (\$ in thousands) |                  |
| Net Premiums                    | \$                | 2,226,078        |
| Policy Fees                     |                   | 1,147,916        |
| Net Investment Income           |                   | 2,845,623        |
| Net Investment-Related Gains    |                   | 203,753          |
| Other Income                    |                   | 120,243          |
| <b>Total Insurance Revenues</b> | <b>\$</b>         | <b>6,543,573</b> |

|                                       | Years Ended       |                   |                |
|---------------------------------------|-------------------|-------------------|----------------|
|                                       | December 31, 2022 | December 31, 2021 | Change         |
|                                       | (\$ in thousands) |                   |                |
| Net Premiums                          | \$ 1,182,461      | \$ 2,226,078      | \$ (1,043,617) |
| Policy Fees                           | 1,261,721         | 1,137,805         | 123,916        |
| Net Investment Income                 | 4,118,246         | 2,845,623         | 1,272,623      |
| Net Investment-Related (Losses) Gains | (1,318,490)       | 203,753           | (1,522,243)    |

|                                 |                     |                     |                       |
|---------------------------------|---------------------|---------------------|-----------------------|
| Other Income                    | 139,124             | 120,213             | 18,911                |
| <b>Total Insurance Revenues</b> | <b>\$ 5,383,062</b> | <b>\$ 6,533,472</b> | <b>\$ (1,150,410)</b> |

#### Net Premiums

Net premiums were decreased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily driven by due to lower initial premiums related to new fewer reinsurance transactions with life contingencies assumed during the year ended December 31, 2022 as compared to the year ended December 31, 2021. These The decrease was partially offset by lower retrocessions to third party reinsurers during the year ended December 31, 2022 as compared to the year ended December 31, 2021. The initial premiums on assumed reinsurance were wholly offset by a comparable increase in policy reserves reported within net policy benefits and claims (as discussed below).

#### Policy fees

Policy fees were primarily driven by cost of insurance, administrative, and rider fees during increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to one less month of activity reported in the prior financial reporting period as a result of the 2021 GA Acquisition on February 1, 2021.

#### Net investment income

Net investment income was increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily driven by insurance segment due to (i) higher yields on floating-rate investments due to higher market interest rates, (ii) rotation into higher yielding assets, (iii) increased average assets under management due to growth in assets in Global Atlantic's institutional market channel as a result of new reinsurance transactions and individual market channel sales, and (iv) one less month of activity reported in the effective book yield (as determined, in part, by the allocated fair value prior financial reporting period as a result of the investment portfolio as determined as of the 2021 GA Acquisition having occurred on February 1, 2021). Average insurance segment investments were primarily driven by net inflows of assets from the individual markets and institutional channels. In addition to the impact of higher asset balances, net investment income was also positively impacted by income from bond call and loan prepayment activity.

#### Net investment-related (losses) gains (losses)

The components of net investment-related (losses) gains (losses) were as follows:

|                                                | Year Ended        |                |
|------------------------------------------------|-------------------|----------------|
|                                                | December 31, 2021 |                |
|                                                | (\$ in thousands) |                |
| Equity index options                           | \$                | 549,987        |
| Funds withheld payable embedded derivatives    |                   | 49,491         |
| Funds withheld receivable embedded derivatives |                   | 31,740         |
| Equity future contracts                        |                   | (263,637)      |
| Interest rate contracts                        |                   | (146,920)      |
| Foreign currency forwards                      |                   | 2,484          |
| Credit risk contracts                          |                   | (400)          |
| <b>Net gains on derivative instruments</b>     |                   | <b>222,745</b> |
| Net other investment losses                    |                   | (18,992)       |
| <b>Net investment-related gains</b>            | <b>\$</b>         | <b>203,753</b> |

|                                                | Years Ended       |                   |                  |
|------------------------------------------------|-------------------|-------------------|------------------|
|                                                | December 31, 2022 | December 31, 2021 | Change           |
|                                                | (\$ in thousands) |                   |                  |
| Funds withheld payable embedded derivatives    | \$ 3,448,710      | \$ 49,491         | \$ 3,399,219     |
| Equity futures contracts                       | 167,924           | (263,637)         | 431,561          |
| Foreign currency forwards                      | 18,929            | 2,484             | 16,445           |
| Credit risk contracts                          | (108)             | (400)             | 292              |
| Equity index options                           | (895,602)         | 549,987           | (1,445,589)      |
| Interest rate and foreign exchange contracts   | (333,937)         | (146,920)         | (187,017)        |
| Funds withheld receivable embedded derivatives | (29,390)          | 31,740            | (61,130)         |
| Other                                          | (29,779)          | —                 | (29,779)         |
| <b>Net gains on derivative instruments</b>     | <b>2,346,747</b>  | <b>222,745</b>    | <b>2,124,002</b> |
| Net other investment losses                    | (3,665,237)       | (18,992)          | (3,646,245)      |

|                                       |    |             |    |         |    |             |
|---------------------------------------|----|-------------|----|---------|----|-------------|
| Net investment-related (losses) gains | \$ | (1,318,490) | \$ | 203,753 | \$ | (1,522,243) |
|---------------------------------------|----|-------------|----|---------|----|-------------|

#### Net gains on derivative instruments

The increase in the fair value of embedded derivatives on funds withheld at interest payable for the year ended December 31, 2022 was primarily driven by the change in fair value of the underlying investments in the funds withheld at interest payable portfolio, which is primarily comprised of fixed maturity securities (designated as trading for accounting purposes), mortgage and other loan receivables, and other investments. The underlying investments in the funds withheld at interest payable portfolio declined in value in the current period primarily due to an increase in market interest rates and wider credit spreads.

The increase in the fair value of equity futures was driven primarily by the performance of equity markets. Global Atlantic purchases equity futures primarily to hedge the market risk in Global Atlantic's variable annuity products which are accounted for in net policy benefits and claims. The majority of Global Atlantic's equity futures are based on the S&P 500 Index, which decreased during the year ended December 31, 2022, as compared to an increase during the year ended December 31, 2021, resulting in, respectively, a gain and a loss on equity futures contracts in the respective periods.

The decrease in the fair value of equity index options were was primarily driven by the performance of the indexes upon which call options are based. Global Atlantic purchases equity index options to hedge the market risk of embedded derivatives in indexed universal life and fixed-indexed annuity products (the change for in which is accounted for in net policy benefits and claims). The majority of Global Atlantic's equity index call options are based on the S&P 500 Index, which increased decreased during the year ended December 31, 2022, as compared to the increase during the year ended December 31, 2021.

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The decrease in the fair value of equity futures and interest rate and foreign exchange contracts were was primarily driven primarily by the performance of equity markets and an increase in market interest rates. Global Atlantic purchases equity futures primarily to hedge the market risk in our variable annuity products which are accounted for in policy benefits and claims. The majority of Global Atlantic's equity futures are based on the S&P 500 Index, which increased rates during both the year ended December 31, 2021, resulting in a loss on equity futures contracts. Market interest rates increased during December 31, 2022 and the year ended December 31, 2021, prior financial reporting period, resulting in a loss on interest rate contracts.

The increase decrease in the fair value of embedded derivatives on funds withheld at interest payable and receivable were was primarily driven by due to widening of credit spreads during the change in fair value year ended December 31, 2022, as compared to the tightening of the underlying investments credit spreads in the respective funds withheld at interest payable and receivable portfolios, year ended December 31, 2021.

#### Net other investment investment-related losses

The components of net other investment losses were as follows:

|                                                                                                                   | Year Ended        |                 |
|-------------------------------------------------------------------------------------------------------------------|-------------------|-----------------|
|                                                                                                                   | December 31, 2021 |                 |
|                                                                                                                   | (\$ in thousands) |                 |
| Realized gains (losses) on investments not supporting asset-liability matching strategies                         | \$                | 527,788         |
| Realized gains (losses) on available-for-sale fixed maturity debt securities                                      |                   | (201,411)       |
| Credit loss allowances                                                                                            |                   | (249,338)       |
| Unrealized gains (losses) on fixed maturity securities classified as trading                                      |                   | (118,714)       |
| Unrealized gains (losses) on investments classified as trading or accounted under a fair-value option             |                   | 39,758          |
| Unrealized gains (losses) on real estate investments recognized at fair value under investment company accounting |                   | 35,418          |
| Realized gains (losses) on funds withheld at interest payable portfolio                                           |                   | (30,015)        |
| Realized gains (losses) on funds withheld at interest receivable portfolio                                        |                   | 12,418          |
| Other                                                                                                             |                   | (34,896)        |
| <b>Net other investment losses</b>                                                                                | <b>\$</b>         | <b>(18,992)</b> |

|                                                                                  | Years Ended       |                   |              |
|----------------------------------------------------------------------------------|-------------------|-------------------|--------------|
|                                                                                  | December 31, 2022 | December 31, 2021 | Change       |
|                                                                                  | (\$ in thousands) |                   |              |
| Realized gains on investments not supporting asset-liability matching strategies | \$ 87,198         | \$ 527,788        | \$ (440,590) |
| Realized losses on available-for-sale fixed maturity debt securities             | (559,987)         | (201,411)         | (358,576)    |
| Credit loss allowances                                                           | (456,176)         | (249,338)         | (206,838)    |
| Unrealized losses on fixed maturity securities classified as trading             | (2,603,874)       | (118,714)         | (2,485,160)  |
| Unrealized gains on investments classified as trading or fair-value option       | 60,237            | 39,758            | 20,479       |

|                                                                                                                   |                       |                    |                       |
|-------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------|-----------------------|
| Unrealized (losses) gains on real estate investments recognized at fair value under investment company accounting | (42,870)              | 35,418             | (78,288)              |
| Realized gains (losses) on funds withheld at interest, payable portfolio                                          | 38,074                | (30,015)           | 68,089                |
| Realized (losses) gains on funds withheld at interest, receivable portfolio                                       | (3,176)               | 12,418             | (15,594)              |
| Other                                                                                                             | (184,663)             | (34,896)           | (149,767)             |
| <b>Net other investment-related losses</b>                                                                        | <b>\$ (3,665,237)</b> | <b>\$ (18,992)</b> | <b>\$ (3,646,245)</b> |

**Net** The increase in net other investment losses for the year ended **December 31, 2021** December 31, 2022 were primarily due to (i) an increase in unrealized losses on fixed maturity securities classified as trading was primarily due to an increase in interest rates and widening credit spreads in the current period, (ii) a decrease in realized gains on investments not supporting asset-liability matching strategies primarily due to the non-recurrence of a gain from the disposition of Origis USA, LLC (infrastructure: energy and energy transition sector) in the prior financial reporting period, (iii) the increase in realized losses on available-for-sale fixed maturity debt securities primarily due to portfolio rotation in a higher interest rate environment, (iv) an increase in credit loss allowances on mortgage and other loan receivables in the current period primarily due to an increase in credit risk of Global Atlantic's loan portfolio, offset in part by the recognition of **a** an initial credit loan loss allowances as a result of allowance upon the application adoption of the current expected credit loss accounting standard **adopted** concurrent with the 2021 GA Acquisition **(ii)** in the prior financial reporting period, and (v) realized losses on renewable energy investments in the sale of available-for-sale ("AFS") securities as a result of portfolio rotation strategies, and (iii) net unrealized current period.

Offsetting these losses were realized gains on trading fixed maturity securities underlying a portion of the funds withheld payable at interest portfolio due to an increase in market interest rates. These losses were almost wholly offset by realized gains (losses) on investments not supporting asset-liability matching strategies, including in particular a gain from the disposition of Origis USA, LLC. payable portfolio.

#### Other income

Other income is mainly driven by expense allowances increased for the year ended December 31, 2022 as compared to the prior financial reporting period primarily due to one less month of activity reported in the prior financial reporting period as a result of the 2021 GA Acquisition having occurred on ceded reinsurance, administration, management fees and distribution fees. February 1, 2021.

#### Expenses

##### Policy Net policy benefits and claims

Policy Net policy benefits and claims were decreased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily driven by due to (i) an increase in gains on market risk benefit liabilities due to a higher increase in interest rates during the year ended December 31, 2022, as compared to the year ended December 31, 2021, (ii) lower initial reserves assumed related to fewer new reinsurance transactions with life contingencies during in the year ended December 31, 2022 as compared to the year ended December 31, 2021, (ii) an increase and (iii) a decrease in the value of embedded derivatives in Global Atlantic's indexed universal interest sensitive life and fixed indexed annuity products, as a result of higher lower equity market returns (as discussed above under "Revenues—"—"Consolidated Results of Operations (GAAP Basis)—Revenues—Net gains on derivative derivatives instruments," Global Atlantic purchases equity index options in order to hedge this risk, the fair value changes of which are accounted for in gains on derivative instruments, and generally offsetting the change in embedded derivative fair value reported in net policy benefits and claims). This decrease was offset by (i) one less month of activity reported in the prior financial reporting period as a result of the 2021 GA Acquisition having occurred on February 1, 2021, and (iii) (ii) an increase in net flows from both individual and institutional market channel sales, (iii) an increase in the institutional and individual channels, all offset by a decrease in variable annuity reserves primarily market risk benefit liability due to higher lower equity market returns, (iv) higher funding costs on new business, and market interest rates.

[Table \(v\) favorable experience related to the assumption review described above under "—Consolidated Results of Contents Operations \(GAAP Basis\) - Insurance—Assumption Review."](#)

##### Amortization of policy acquisition costs

Amortization of policy acquisition costs during increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 was primarily driven by due to (i) a decrease in the net benefit (that is, a reduction to expense) from the amortization of the net negative insurance intangibles recognized as part of purchase accounting of the 2021 GA Acquisition, as the underlying business runs off, and (ii) growth in Global Atlantic acquisition. Amortization is negative (that is, a reduction to expense) as a result of the net negative value-of-business-acquired insurance intangible recognized as part of the aforementioned purchase accounting. Atlantic's individual market channel.

##### Interest expense

Interest expense increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 reflects primarily due to (i) a net increase in debt outstanding, including a draw on Global Atlantic's revolving credit facility in the quarter ended March 31, 2022, (ii) an increase in interest expense on floating rate debt (Global Atlantic's revolving facility and fixed-to-floating swaps on Global Atlantic's fixed rate debt) due to higher market rates, and (iii) the issuance impact of new senior and subordinated notes which was partially offset by one less month of activity reported in the pay-down of other debt, and the favorable impact to interest expense prior financial reporting period as a result of the lower average coupon due 2021 GA Acquisition having occurred on new debt added at lower interest rates, February 1, 2021.

##### Insurance expenses

Insurance expenses were increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily driven by due to (i) one less month of activity reported in the prior financial reporting period as a result of the 2021 GA Acquisition having occurred on February 1, 2021, (ii) increased commission expense related to

increased sales in Global Atlantic's individual market and (ii) increased reinsurance transactions, and (iii) increased reinsurance ceding expense allowances paid for policy administration services during the year ended December 31, 2021, as a result of an increase in reinsurance transactions.

General, administrative and other

General, administrative and other expenses were driven increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily by due to (i) one less month of activity reported in the prior financial reporting period as a result of the 2021 GA Acquisition having occurred on February 1, 2021, (ii) increased employee compensation and benefits related expenses, (ii) TPA (iii) increased professional service fees, and (iv) increased third-party administrator ("TPA") policy servicing fees, (iii) technology hardware and software related charges, and (iv) professional fees during all due to growth of the year ended December 31, 2021. business.

Other Consolidated Results of Operations (GAAP Basis)

Income Tax Expense (Benefit)

For the year ended December 31, 2021 December 31, 2022, income tax was an expense was \$1,353.3 million of \$125.4 million compared to \$609.1 million an income tax expense of \$1,394.9 million in the prior period. The increase tax expense in the income tax expense current period was generated primarily due to (i) a higher level of fees, from net operating losses driven by capital allocation-based income and investment income as described above earned from asset management operations and (ii) the inclusion of income taxes relating to Global Atlantic's insurance operations. Our effective tax rate under GAAP for the year ended December 31, 2021 was 9.9%, losses. For a discussion of factors that impacted KKR's tax provision, see Note 19 18 "Income Taxes" in our to the financial statements. The amount of U.S. federal and state corporate income taxes we pay in future periods may be materially increased if adverse tax laws become enacted. See also "—Business Environment—Economic and Market Conditions" statements included elsewhere in this report.

Net Income (Loss) Attributable to Noncontrolling Interests

Net Income (Loss) attributable to noncontrolling interests for the year ended December 31, 2021 December 31, 2022 relates primarily to net income (loss) attributable to (i) interests of KKR Holdings and other exchangeable securities representing ownership interests in KKR Group Partnership, (ii) third-party third party limited partner interests in consolidated investment funds, and (iii) interests that co-investors and rollover third party investors hold in Global Atlantic. Net income (loss) Income attributable to noncontrolling interests for the year ended December 31, 2021 increased compared December 31, 2022 was primarily related to the prior period primarily due to a higher level of net positive income generated during the year ended December 31, 2021, allocable to the holders of the noncontrolling interests, interests that third party investors hold in Global Atlantic partially offset by (i) net losses from investment activities at our consolidated investment funds and (ii) a net loss attributable to exchangeable securities.

Net Income (Loss) Attributable to KKR & Co. Inc.

Net Income (loss) Loss attributable to KKR & Co. Inc. for the year ended December 31, 2021 increased compared to the prior period December 31, 2022 was primarily due to (i) net capital allocation-based losses and (ii) net losses from investment activities, partially offset by (i) a higher level of net gains from investment activities, capital allocation-based income, and management fees earned from asset management operations during the year ended December 31, 2021 as described above and (ii) the acquisition a reversal of Global Atlantic, which was completed in February 2021. These increases were partially offset by previously recognized accrued carried interest compensation, and income tax expense, each as described above.

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Condensed Consolidated Statements of Financial Condition (GAAP Basis)

The following table provides our condensed consolidated statements of financial condition on a GAAP basis as of December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022.

(Amounts in thousands, except per share amounts)

|                  |            | As of<br>December 31,<br>2022 | As of<br>December 31,<br>2021 |                            |                            |
|------------------|------------|-------------------------------|-------------------------------|----------------------------|----------------------------|
|                  |            | As of<br>December<br>31, 2023 |                               | As of<br>December 31, 2023 | As of<br>December 31, 2022 |
| Assets           | Assets     |                               |                               |                            |                            |
| Assets           |            |                               |                               |                            |                            |
| Assets           |            |                               |                               |                            |                            |
| Asset            | Asset      |                               |                               |                            |                            |
| Management       | Management |                               |                               |                            |                            |
| Asset Management |            |                               |                               |                            |                            |
| Asset Management |            |                               |                               |                            |                            |



|                                     |                           |    |             |    |             |              |                               |
|-------------------------------------|---------------------------|----|-------------|----|-------------|--------------|-------------------------------|
| Cash and Cash Equivalents           |                           |    |             |    |             |              |                               |
| Cash and Cash Equivalents           |                           |    |             |    |             |              |                               |
| Cash and Cash Equivalents           | Cash and Cash Equivalents |    |             |    |             |              |                               |
|                                     |                           | \$ | 6,705,325   | \$ | 6,699,668   |              |                               |
| Investments                         | Investments               |    | 92,375,463  |    | 88,775,514  |              |                               |
| Other Assets                        | Other Assets              |    | 7,114,360   |    | 4,244,894   |              |                               |
|                                     |                           |    | 106,195,148 |    | 99,720,076  |              |                               |
|                                     |                           |    | 113,567,367 |    |             |              |                               |
| Insurance                           |                           |    |             |    |             |              |                               |
| Cash and Cash Equivalents           |                           |    |             |    |             |              |                               |
| Cash and Cash Equivalents           |                           |    |             |    |             |              |                               |
| Cash and Cash Equivalents           | Cash and Cash Equivalents |    | 6,118,231   |    | 3,391,934   |              |                               |
| Investments                         | Investments               |    | 124,199,176 |    | 123,763,675 |              |                               |
| Other Assets                        | Other Assets              |    | 40,564,636  |    | 37,409,755  |              |                               |
|                                     |                           |    | 170,882,043 |    | 164,565,364 |              |                               |
|                                     |                           |    | 203,726,827 |    |             |              |                               |
| Total Assets                        | Total Assets              | \$ | 277,077,191 | \$ | 264,285,440 | Total Assets | \$ 317,294,194 \$ 275,346,636 |
| Liabilities and Equity              |                           |    |             |    |             |              |                               |
| Liabilities and Equity              |                           |    |             |    |             |              |                               |
| Liabilities and Equity              |                           |    |             |    |             |              |                               |
| Asset Management                    |                           |    |             |    |             |              |                               |
| Asset Management                    |                           |    |             |    |             |              |                               |
| Asset Management                    | Asset Management          |    |             |    |             |              |                               |
| Debt Obligations                    | Debt Obligations          | \$ | 40,598,613  | \$ | 36,669,755  |              |                               |
| Debt Obligations                    |                           |    |             |    |             |              |                               |
| Debt Obligations                    |                           |    |             |    |             |              |                               |
| Other Liabilities                   | Other Liabilities         |    | 6,937,832   |    | 8,359,619   |              |                               |
|                                     |                           |    | 47,536,445  |    | 45,029,374  |              |                               |
|                                     |                           |    | 53,143,384  |    |             |              |                               |
| Insurance                           |                           |    |             |    |             |              |                               |
| Debt Obligations                    |                           |    |             |    |             |              |                               |
| Debt Obligations                    |                           |    |             |    |             |              |                               |
| Other Liabilities                   | Other Liabilities         |    | 173,753,695 |    | 159,208,840 |              |                               |
|                                     |                           |    | 175,881,861 |    | 161,116,846 |              |                               |
|                                     |                           |    | 205,771,898 |    |             |              |                               |
| Total Liabilities                   | Total Liabilities         | \$ | 223,418,306 | \$ | 206,146,220 |              |                               |
| Redeemable Noncontrolling Interests |                           |    |             |    |             |              |                               |
| Redeemable Noncontrolling Interests |                           |    |             |    |             |              |                               |
| Redeemable Noncontrolling Interests |                           |    |             |    |             |              |                               |
| Stockholders' Equity                | Stockholders' Equity      |    | 152,065     |    | 82,491      |              |                               |

|                                                                                          |                                                                           |                |                |
|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|----------------|----------------|
| Stockholders' Equity                                                                     |                                                                           |                |                |
| Stockholders' Equity                                                                     |                                                                           |                |                |
| Stockholders' Equity - Series C                                                          |                                                                           |                |                |
| Mandatory Convertible Preferred Stock                                                    |                                                                           |                |                |
| Stockholders' Equity - Series C                                                          |                                                                           |                |                |
| Mandatory Convertible Preferred Stock                                                    |                                                                           |                |                |
| Stockholders' Equity - Series C Mandatory Convertible Preferred Stock                    | Stockholders' Equity - Series C Mandatory Convertible Preferred Stock     | 1,115,792      | 1,115,792      |
| Stockholders' Equity - Common Stock                                                      | Stockholders' Equity - Common Stock                                       | 16,613,028     | 16,466,372     |
| Noncontrolling Interests                                                                 | Noncontrolling Interests                                                  | 35,778,000     | 40,474,565     |
| Total Equity                                                                             | Total Equity                                                              | 53,506,820     | 58,056,729     |
| Total Liabilities and Equity                                                             | Total Liabilities and Equity                                              | \$ 277,077,191 | \$ 264,285,440 |
| KKR & Co. Inc. KKR & Co. Inc.                                                            |                                                                           |                |                |
| Stockholders' Equity - Common Stock Per Outstanding Share of Common Stock                | Stockholders' Equity - Common Stock Per Outstanding Share of Common Stock |                |                |
|                                                                                          |                                                                           | \$ 19.29       | \$ 27.64       |
| KKR & Co. Inc. Stockholders' Equity - Common Stock Per Outstanding Share of Common Stock |                                                                           |                |                |
| KKR & Co. Inc. Stockholders' Equity - Common Stock Per Outstanding Share of Common Stock |                                                                           |                |                |

KKR & Co. Inc. Stockholders' Equity - Common Stock per Outstanding Share of Common Stock was \$19.29 \$25.83 as of December 31, 2022 December 31, 2023, down up from \$27.64 \$20.55 as of December 31, 2021 December 31, 2022. The decrease increase was primarily due to (i) net income attributable to KKR & Co. Inc. common stockholders, (ii) the (i) conversion of Series C Mandatory Convertible Preferred Stock in September 2023, and (iii) unrealized losses gains on available-for-sale-securities from Global Atlantic that are recorded in other comprehensive income (ii) partially offset by (i) dividends to common stockholders and (iii) a net loss attributable to KKR & Co. Inc. (ii) repurchases of our common stockholders during the year ended December 31, 2022, stock.

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## Consolidated Statements of Cash Flows (GAAP Basis)

The following is a discussion of our consolidated cash flows for the years ended December 31, 2022 December 31, 2023, 2022, and 2021. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report.

The consolidated statements of cash flows include the cash flows of our consolidated entities, which include certain consolidated investment funds, CLOs and certain variable interest entities formed by Global Atlantic notwithstanding the fact that we may hold only a minority economic interest in those investment funds and CFEs. The assets of our consolidated investment funds and CFEs, on a gross basis, can be substantially larger than the assets of our business and, accordingly, could have a substantial effect on the cash flows reflected in our consolidated statements of cash flows. The primary cash flow activities of our consolidated funds and CFEs involve: (i) capital contributions from fund investors; (ii) using the capital of fund investors to make investments; (iii) financing certain investments with indebtedness; (iv) generating cash flows through the realization of

investments; and (v) distributing cash flows from the realization of investments to fund investors. Because our consolidated funds are treated as investment companies for accounting purposes, certain of these cash flow amounts are included in our cash flows from operations.

#### Net Cash Provided (Used) by Operating Activities

Our net cash provided (used) by operating activities was \$(1.5) billion, \$(5.3) billion, and \$(7.2) billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively. These amounts primarily included: (i) investments purchased (asset management), net of proceeds from investments (asset management) of \$(8.6) billion, \$(10.4) billion, and \$(10.6) billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (ii) net realized gains (losses) on asset management investments of \$(0.8) billion, \$1.3 billion, and \$2.4 billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (iii) change in unrealized gains (losses) on investments (asset management) of \$3.8 billion, \$(3.0) billion, and \$5.3 billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (iv) capital allocation-based income (loss) of \$2.8 billion, \$(2.5) billion, and \$6.8 billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, and (v) net realized investment and policy liability-related gains (losses) on insurance operations (insurance) of \$(1.0) \$(2.6) billion, \$(0.4) billion, and \$(0.9) \$(0.7) billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, and (vi) interest credited to policyholder account balances (net of policy fees) (insurance) of \$2.8 billion, \$1.2 billion, and \$1.7 billion during the years ended December 31, 2023, 2022, and 2021, respectively. Investment funds are investment companies under GAAP and reflect their investments and other financial instruments at fair value.

#### Net Cash Provided (Used) by Investing Activities

Our net cash provided (used) by investing activities was \$(3.9) billion, \$(13.6) billion, and \$(9.6) billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively. Our investing activities included: (i) investments purchased (insurance), net of proceeds from investments (insurance), of \$(3.8) billion, \$(11.8) billion, and \$(9.1) billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (ii) acquisitions, net of cash acquired, of \$(1.7) billion and \$(473.8) million during the years ended December 31, 2022 and 2021, respectively, and (iii) the purchase of fixed assets of \$(108.4) million, \$(85.1) million, and \$(102.0) million during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (iii) the acquisition of KJRM, net of cash acquired of \$(1.7) billion during the year ended December 31, 2022, and (iv) the acquisition of Global Atlantic, net of cash acquired of \$(0.5) billion during the year ended December 31, 2021.

#### Net Cash Provided (Used) by Financing Activities

Our net cash provided (used) by financing activities was \$12.8 billion, \$22.1 billion, and \$20.4 billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively. Our financing activities primarily included: (i) contributions by, from, net of distributions to, our noncontrolling and redeemable noncontrolling interests of \$6.4 billion, \$6.6 billion, and \$6.4 billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (ii) proceeds received, net of repayment of debt obligations, of \$3.6 billion, \$6.5 billion, and \$8.9 billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (iii) additions to, net of withdrawals from, contractholder deposit funds (insurance) of \$1.9 billion, \$9.3 billion, and \$5.9 billion \$5.9 billion during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (iv) reinsurance transactions, net of cash provided (insurance) of \$1.2 billion, \$69.6 million, and \$610.3 million during the years ended December 31, 2023, 2022, and 2021, respectively, (v) common stock dividends of \$(563.3) million, \$(444.3) million, and \$(331.4) million during the years ended December 31, 2022 and 2021, respectively, (v) net delivery of common stock of \$(65.7) million and \$(166.8) million during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (vi) repurchases of common stock of \$(289.8) million, \$(346.7) million, and \$(269.7) million during the years ended December 31, 2022, December 31, 2023, 2022, and 2021, respectively, (vii) Series A and B Preferred Stock dividends of \$(19.2) million during the year ended December 31, 2021, (viii) Series C Mandatory Convertible Preferred Stock dividends of \$(51.7) million, \$(69.0) million, and \$(69.0) million during each of the years ended December 31, 2022, December 31, 2023, 2022, and 2021, and (ix) private placement share issuance of \$38.5 million during year ended December 31, 2021, respectively.

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#### Analysis of Segment Operating Results

The following is a discussion of the results of our business on a segment basis for the years ended December 31, 2022, December 31, 2023, 2021, 2022, and 2020, 2021. You should read this discussion in conjunction with the information included under "—Key Segment and Non-GAAP Non-GAAP Performance Measures" and the financial statements and related notes included elsewhere in this report. See "—Business Environment" for more information about factors that may impact our business, financial performance, operating results and valuations.

For the year ended December 31, 2021, the results of our insurance segment are from February 1, 2021 (closing date of the GA Acquisition) through December 31, 2021.

#### Analysis of Asset Management Segment Operating Results

The following tables set forth information regarding KKR's asset management segment operating results for the years ended December 31, 2023 and 2022.

|                                      | Years Ended       |                   |            |
|--------------------------------------|-------------------|-------------------|------------|
|                                      | December 31, 2023 | December 31, 2022 | Change     |
|                                      | (\$ in thousands) |                   |            |
| Management Fees                      | \$ 3,030,325      | \$ 2,656,487      | \$ 373,838 |
| Transaction and Monitoring Fees, Net | 720,654           | 775,933           | (55,279)   |
| Fee Related Performance Revenues     | 94,427            | 90,665            | 3,762      |
| Fee Related Compensation             | (865,336)         | (769,735)         | (95,601)   |
| Other Operating Expenses             | (596,284)         | (585,999)         | (10,285)   |
| Fee Related Earnings                 | 2,383,786         | 2,167,351         | 216,435    |

|                                                    |                     |                     |                     |
|----------------------------------------------------|---------------------|---------------------|---------------------|
| Realized Performance Income                        | 1,065,389           | 2,176,658           | (1,111,269)         |
| Realized Performance Income Compensation           | (666,440)           | (1,333,526)         | 667,086             |
| Realized Investment Income                         | 690,727             | 1,134,419           | (443,692)           |
| Realized Investment Income Compensation            | (103,590)           | (159,003)           | 55,413              |
| <b>Asset Management Segment Operating Earnings</b> | <b>\$ 3,369,872</b> | <b>\$ 3,985,899</b> | <b>\$ (616,027)</b> |

#### Management Fees

The following table presents management fees by business line:

|                              | Years Ended         |                     |                   |
|------------------------------|---------------------|---------------------|-------------------|
|                              | December 31, 2023   | December 31, 2022   | Change            |
|                              | (\$ in thousands)   |                     |                   |
| <b>Management Fees</b>       |                     |                     |                   |
| Private Equity               | \$ 1,286,062        | \$ 1,188,463        | \$ 97,599         |
| Real Assets                  | 825,735             | 679,890             | 145,845           |
| Credit and Liquid Strategies | 918,528             | 788,134             | 130,394           |
| <b>Total Management Fees</b> | <b>\$ 3,030,325</b> | <b>\$ 2,656,487</b> | <b>\$ 373,838</b> |

The increase in Private Equity management fees was primarily attributable to management fees earned on new capital raised over the past twelve months at Global Impact Fund II, Ascendant Fund, and Next Generation Technology Growth Fund III. This increase was partially offset by (i) a lower level of management fees from Americas Fund XII due to a step-down in the management fee rate in 2023 and a decrease in invested capital, (ii) management fees earned on new capital raised for North America Fund XIII in the first quarter of 2022 that were retroactive to the start of the fund's investment period, and (iii) a lower level of management fees from Asian Fund III due to a decrease in its fee base, which had invested capital reduced from the sale of investments. There were no management fees that were retroactive to the start of the fund's investment period for the year ended December 31, 2023 for North America Fund XIII. During the fourth quarter of 2023, approximately \$14.9 million of management fees were earned on new capital raised that is retroactive to the start of the relevant fund's investment period.

The increase in Real Assets management fees was primarily attributable to (i) management fees earned from Asia Pacific Infrastructure Investors II for the full year 2023, which entered its investment period in the third quarter of 2022, (ii) a higher level of management fees earned from Global Atlantic due to an increase in their assets being managed by our asset management segment, and (iii) management fees earned from Diversified Core Infrastructure Fund due to an increase in its fee base, due to higher capital inflows and investment appreciation year over year. This increase was partially offset by a lower level of management fees from our first Asia Pacific Infrastructure Investors fund in the current year as a result of entering its post-investment period in the third quarter of 2022 and, consequently, management fees being earned on invested capital rather than committed capital. During the fourth quarter of 2023, approximately \$4.7 million of management fees were earned on new capital raised that is retroactive to the start of the relevant fund's investment period.

The increase in Credit and Liquid Strategies management fees was primarily attributable to (i) a higher level of management fees earned from Global Atlantic due to an increase in assets being managed by our asset management segment, (ii) a higher level of management fees earned from Marshall Wace, and (iii) the issuance of various U.S. and European CLOs over the last twelve months. The increase was partially offset by a lower level of management fees from certain SIG funds primarily due to (i) a decrease in its fee base from the sale of investments, and (ii) certain SIG funds which no longer pay management fees as a result of an agreement to waive such fees.

#### Transaction and Monitoring Fees, Net

The following table presents transaction and monitoring fees, net by business line:

|                                                   | Years Ended       |                   |                    |
|---------------------------------------------------|-------------------|-------------------|--------------------|
|                                                   | December 31, 2023 | December 31, 2022 | Change             |
|                                                   | (\$ in thousands) |                   |                    |
| <b>Transaction and Monitoring Fees, Net</b>       |                   |                   |                    |
| Private Equity                                    | \$ 115,276        | \$ 120,410        | \$ (5,134)         |
| Real Assets                                       | 20,564            | 33,202            | (12,638)           |
| Credit and Liquid Strategies                      | 7,197             | 22,018            | (14,821)           |
| Capital Markets                                   | 577,617           | 600,303           | (22,686)           |
| <b>Total Transaction and Monitoring Fees, Net</b> | <b>\$ 720,654</b> | <b>\$ 775,933</b> | <b>\$ (55,279)</b> |

Our Private Equity, Real Assets and Credit and Liquid Strategies business lines earn transaction and monitoring fees from portfolio companies, and under the terms of the management agreements with certain of our investment funds, we are required to share all or a portion of such fees with our fund investors. For most of our investment funds, transaction and monitoring fees are credited against fund management fees up to 100% of the amount of the transaction and monitoring fees attributable to that investment fund, which results in a decrease of our monitoring and transaction fees. Additionally, transaction fees are generally not earned with respect to energy and real estate investments. Our Capital Markets business line earns transaction fees, which are generally not shared with fund investors.

The decrease in transaction and monitoring fees, net is primarily due to a lower level of transaction fees earned in our Capital Markets business line. The decrease in capital markets transaction fees was primarily due to a decrease in the size of capital markets transactions for the year ended December 31, 2023, compared to the year ended December 31, 2022. Overall, we completed 239 capital markets transactions for the year ended December 31, 2023, of which 45 represented equity offerings and 194 represented debt offerings, as compared to 240 transactions for the year ended December 31, 2022, of which 29 represented equity offerings and 211 represented debt offerings. We earn fees in connection with underwriting, syndication and other capital markets services. While each of the capital markets transactions that we undertake in this business line is separately negotiated, our fee rates are generally higher with respect to underwriting or syndicating equity offerings than with respect to debt offerings, and the amount of fees that we earn for similar transactions generally correlates with overall transaction sizes.

Our capital markets fees are generated in connection with activity involving our private equity, real assets and credit funds as well as from third-party companies. For the year ended December 31, 2023, approximately 13% of our transaction fees in our Capital Markets business line were earned from unaffiliated third parties as compared to approximately 14% for the year ended December 31, 2022. Our transaction fees are comprised of fees earned from North America, Europe, and the Asia-Pacific region. For the year ended December 31, 2023, approximately 39% of our transaction fees were generated outside of North America as compared to approximately 46% for the year ended December 31, 2022. Our Capital Markets business line is dependent on the overall capital markets environment, which is influenced by equity prices, credit spreads, and volatility. Our Capital Markets business line does not generate monitoring fees.

Transaction and monitoring fees, net were lower for the year ended December 31, 2023 compared to the prior year across our Private Equity, Real Assets and Credit and Liquid Strategies business lines primarily due to the decrease in transaction activity resulting in a decline in the level of capital invested year over year. See "—Analysis of Asset Management Segment Operating Results—Capital Invested" for more information about capital invested by business line.

#### Fee Related Performance Revenues

The following table presents fee related performance revenues by business line:

|                                               | Years Ended       |                   |                 |
|-----------------------------------------------|-------------------|-------------------|-----------------|
|                                               | December 31, 2023 | December 31, 2022 | Change          |
|                                               | (\$ in thousands) |                   |                 |
| <b>Fee Related Performance Revenues</b>       |                   |                   |                 |
| Private Equity                                | \$ —              | \$ —              | \$ —            |
| Real Assets                                   | 21,648            | 51,183            | (29,535)        |
| Credit and Liquid Strategies                  | 72,779            | 39,482            | 33,297          |
| <b>Total Fee Related Performance Revenues</b> | <b>\$ 94,427</b>  | <b>\$ 90,665</b>  | <b>\$ 3,762</b> |

Fee related performance revenues represent performance fees that are (i) expected to be received from our investment funds, vehicles and accounts on a recurring basis, and (ii) not dependent on a realization event involving investments held by the investment fund, vehicle or account.

These performance fees are primarily earned from FSK in our Credit and Liquid Strategies business line and KKR Property Partners Americas ("KPPA") (our open-ended core plus real estate fund), KREST, KREF, and KJRM in our Real Assets business line.

Fee related performance revenues were higher for the year ended December 31, 2023 compared to the prior period primarily due to a higher level of performance revenues earned from FSK in the current year. For the year ended December 31, 2023, there were no performance revenues earned from KPPA partially offsetting the increase in performance revenues from FSK.

#### Fee Related Compensation

The increase in fee related compensation for the year ended December 31, 2023 compared to the prior period was primarily due to a higher level of compensation recorded in connection with the higher level of revenues included within fee related earnings.

#### Other Operating Expenses

The increase in other operating expenses for the year ended December 31, 2023 compared to the prior period was primarily due to a higher level of information technology, occupancy, and other administrative costs in connection with the overall growth of the firm, partially offset by a lower level of corporate travel costs and placement fees.

#### Fee Related Earnings

The increase in fee related earnings for the year ended December 31, 2023 compared to the prior period is primarily due to a higher level of management fees from our Private Equity, Real Assets, and Credit and Liquid Strategies business lines, partially offset by a lower level of transaction and monitoring fees, net, and a higher level of fee related compensation and other operating expenses, as described above.

#### Realized Performance Income

The following table presents realized performance income by business line:

|                                          | Years Ended         |                     |                       |
|------------------------------------------|---------------------|---------------------|-----------------------|
|                                          | December 31, 2023   | December 31, 2022   | Change                |
|                                          | (\$ in thousands)   |                     |                       |
| <b>Realized Performance Income</b>       |                     |                     |                       |
| Private Equity                           | \$ 938,790          | \$ 1,903,580        | \$ (964,790)          |
| Real Assets                              | 67,018              | 113,465             | (46,447)              |
| Credit and Liquid Strategies             | 59,581              | 159,613             | (100,032)             |
| <b>Total Realized Performance Income</b> | <b>\$ 1,065,389</b> | <b>\$ 2,176,658</b> | <b>\$ (1,111,269)</b> |

|                                                | Years Ended       |                     |                     |
|------------------------------------------------|-------------------|---------------------|---------------------|
|                                                | December 31, 2023 | December 31, 2022   | Change              |
|                                                | (\$ in thousands) |                     |                     |
| <b>Private Equity</b>                          |                   |                     |                     |
| Americas Fund XII                              | \$ 357,618        | \$ 197,023          | \$ 160,595          |
| Core Investment Vehicles                       | 220,075           | 262,219             | (42,144)            |
| Asian Fund III                                 | 178,947           | 104,601             | 74,346              |
| European Fund IV                               | 61,841            | 86,233              | (24,392)            |
| Global Impact Fund                             | 35,361            | —                   | 35,361              |
| Co-Investment Vehicles and Other               | 32,894            | 55,868              | (22,974)            |
| Next Generation Technology Growth Fund         | 24,248            | —                   | 24,248              |
| North America Fund XI                          | 23,486            | 932,428             | (908,942)           |
| 2006 Fund                                      | 4,271             | 231,689             | (227,418)           |
| Total Realized Carried Interest <sup>(1)</sup> | 938,741           | 1,870,061           | (931,320)           |
| Incentive Fees                                 | 49                | 33,519              | (33,470)            |
| <b>Total Realized Performance Income</b>       | <b>\$ 938,790</b> | <b>\$ 1,903,580</b> | <b>\$ (964,790)</b> |

|                                                | Years Ended       |                   |                    |
|------------------------------------------------|-------------------|-------------------|--------------------|
|                                                | December 31, 2023 | December 31, 2022 | Change             |
|                                                | (\$ in thousands) |                   |                    |
| <b>Real Assets</b>                             |                   |                   |                    |
| Global Infrastructure Investors II             | \$ 38,145         | \$ 17,693         | \$ 20,452          |
| Real Estate Partners Americas II               | 27,599            | 95,772            | (68,173)           |
| Co-Investment Vehicles and Other               | 1,274             | —                 | 1,274              |
| Total Realized Carried Interest <sup>(1)</sup> | 67,018            | 113,465           | (46,447)           |
| Incentive Fees                                 | —                 | —                 | —                  |
| <b>Total Realized Performance Income</b>       | <b>\$ 67,018</b>  | <b>\$ 113,465</b> | <b>\$ (46,447)</b> |

|                                                | Years Ended       |                   |                     |
|------------------------------------------------|-------------------|-------------------|---------------------|
|                                                | December 31, 2023 | December 31, 2022 | Change              |
|                                                | (\$ in thousands) |                   |                     |
| <b>Credit and Liquid Strategies</b>            |                   |                   |                     |
| Alternative Credit and Other Funds             | \$ —              | \$ 10,334         | \$ (10,334)         |
| Total Realized Carried Interest <sup>(1)</sup> | —                 | 10,334            | (10,334)            |
| Incentive Fees                                 | 59,581            | 149,279           | (89,698)            |
| <b>Total Realized Performance Income</b>       | <b>\$ 59,581</b>  | <b>\$ 159,613</b> | <b>\$ (100,032)</b> |

(1) The above tables exclude any funds for which there was no realized carried interest during the periods presented.



Realized performance income includes (i) realized carried interest from our carry-earning funds and (ii) incentive fees not included in Fee Related Performance Revenues.

Realized carried interest in our Private Equity business line for the year ended December 31, 2023 consisted primarily of (i) realized proceeds from the sale of our investments in AppLovin Corporation (NASDAQ: APP) held by Americas Fund XII and Kokusai Electric Corporation (TYO: 6525) held by Asian Fund III and (ii) performance income from our core investment vehicles. Realized carried interest in our Private Equity business line for the year ended December 31, 2022 consisted primarily of realized proceeds from the sale of our investments in Internet Brands, Inc. (technology sector) and CHI Overhead Doors, Inc. (manufacturing sector) held by North America Fund XI, Fiserv, Inc. held by 2006 Fund, and performance income from our core investment vehicles.

Realized carried interest in our Real Assets business line for the year ended December 31, 2023 consisted primarily of (i) realized proceeds from the sale of our investments in X-Elio Energy, S.L. (infrastructure: power and utilities sector) and Telxius Telecom, S.A.U. (infrastructure: telecommunications software sector), both held by Global Infrastructure Investors II, and (ii) realized proceeds from dividends received and sales of various investments held by Real Estate Partners Americas II. Realized carried interest in our Real Assets business line for the year ended December 31, 2022 consisted primarily of realized proceeds from dividends received and sales of various investments held by Real Estate Partners Americas II.

During the year ended December 31, 2023, there was no realized carried interest earned in our Credit and Liquid Strategies business line. Realized carried interest in our Credit and Liquid Strategies business line for the year ended December 31, 2022, consisted primarily of realized proceeds from the sale of various investments at certain carry paying funds in our leveraged credit strategy.

Incentive fees consist of performance fees earned from (i) our hedge fund partnerships, (ii) investment management agreements with KKR sponsored investment vehicles, and (iii) investment management agreements to provide KKR's investment strategies to funds managed by a UK investment fund manager.

Incentive fees in our Private Equity business line decreased for the year ended December 31, 2023 compared to the prior period as a result of incentive fees not being earned from certain levered multi-asset investment vehicles in the current period. Incentive fees in our Credit and Liquid Strategies business line decreased for the year ended December 31, 2023 compared to the prior period primarily as a result of a lower level of performance fees earned from our hedge fund partnership, Marshall Wace. During the years ended December 31, 2023 and 2022, there were no incentive fees earned in our Real Assets business line.

#### Realized Performance Income Compensation

The decrease in realized performance income compensation for the year ended December 31, 2023 compared to the prior period is primarily due to a lower level of compensation recorded in connection with the lower level of realized performance income.

#### Realized Investment Income

The following table presents realized investment income from our Principal Activities business line:

|                                         | Years Ended       |                     |                     |
|-----------------------------------------|-------------------|---------------------|---------------------|
|                                         | December 31, 2023 | December 31, 2022   | Change              |
|                                         | (\$ in thousands) |                     |                     |
| <b>Realized Investment Income</b>       |                   |                     |                     |
| Net Realized Gains (Losses)             | \$ 230,055        | \$ 530,284          | \$ (300,229)        |
| Interest Income and Dividends, Net      | 460,672           | 604,135             | (143,463)           |
| <b>Total Realized Investment Income</b> | <b>\$ 690,727</b> | <b>\$ 1,134,419</b> | <b>\$ (443,692)</b> |

The decrease in realized investment income is primarily due to a lower level of net realized gains and a lower level of interest income and dividends, net. The amount of realized investment income depends on the transaction activity of our funds and our subsidiaries, which can vary from period to period.

For the year ended December 31, 2023, net realized gains were comprised of realized gains primarily from the sale of our investments in AppLovin Corporation, Pembina Gas Infrastructure Inc. (infrastructure: midstream sector), and Resolution Life Group Holdings, L.P. (financial services sector). Partially offsetting these realized gains were realized losses, the most significant of which were (i) a realized loss on our private equity investment, GenesisCare Pty Ltd., (ii) a realized loss on our private equity investment, Envision Healthcare Corporation, and (iii) realized losses from the sales of various revolving credit facilities.

For the year ended December 31, 2022, net realized gains were comprised of realized gains primarily from the sale of our investments in Fiserv, Inc., Internet Brands, Inc., Viridor Limited, and CHI Overhead Doors, Inc. Partially offsetting these realized gains were realized losses, the most significant of which were (i) a realized loss on our alternative credit investment, Hilding Anders International AB, (ii) a realized loss on Magneti Marelli CK Holdings, and (iii) realized losses from the sales of various revolving credit facilities.

For the year ended December 31, 2023, interest income and dividends, net were comprised of (i) interest income primarily from our investments in CLOs and cash, and (ii) dividend income primarily from our investments in Diversified Core Infrastructure Fund, Cegid Group S.A., KREF, KREST, and Crescent.

For the year ended December 31, 2022, interest income and dividends, net were comprised of (i) dividend income primarily from our investments in levered multi-asset investment vehicles, Exact Holdings B.V., Internet Brands, Inc., Pembina Gas Infrastructure Inc., and our real estate investments, including our investment in KPPA and KREF, and (ii) interest income primarily from our investments in CLOs.

Following the KKR Capstone acquisition on January 1, 2020, KKR's after-tax distributable earnings includes the net income (loss) from KKR Capstone within realized investment income (loss). For the year ended December 31, 2023, total fees attributable to KKR Capstone were \$100.3 million and total expenses attributable to KKR Capstone

were \$77.6 million. For KKR Capstone-related adjustments in reconciling asset management segment revenues to GAAP revenues see "—Non-GAAP Balance Sheet Measures—Reconciliations to GAAP Measures."

We expect to realize at least \$500.0 million of realized carried interest and realized investment income (loss) in the first half of 2024 from transactions that are pending or closed after December 31, 2023. Some of these transactions are not complete, and are subject to the satisfaction of closing conditions, including regulatory approvals; therefore, there can be no assurance if or when such transactions will be completed. In addition, we may realize gains or losses based on transactions or other events that occur after the date of filing this report, which could impact, positively or negatively, the total amount of our realized performance income from carried interest and realized investment income (loss). Therefore, our actual realized carried interest and realized investment income for the first half of 2024 may be materially higher or lower than \$500.0 million.

#### Realized Investment Income Compensation

The decrease in realized investment income compensation for the year ended December 31, 2023 compared to the prior period is primarily due to a lower level of compensation recorded in connection with the lower level of realized investment income.

#### Operating and Capital Metrics

The following table presents certain key operating and capital metrics as of December 31, 2023 and December 31, 2022:

|                                    | As of             |                   |            |
|------------------------------------|-------------------|-------------------|------------|
|                                    | December 31, 2023 | December 31, 2022 | Change     |
|                                    | (\$ in millions)  |                   |            |
| Assets Under Management            | \$ 552,801        | \$ 503,897        | \$ 48,904  |
| Fee Paying Assets Under Management | \$ 446,408        | \$ 411,923        | \$ 34,485  |
| Uncalled Commitments               | \$ 98,557         | \$ 107,679        | \$ (9,122) |

The following table presents one of our key capital metrics for the years ended December 31, 2023 and 2022:

|                  | Years Ended       |                   |             |
|------------------|-------------------|-------------------|-------------|
|                  | December 31, 2023 | December 31, 2022 | Change      |
|                  | (\$ in millions)  |                   |             |
| Capital Invested | \$ 44,010         | \$ 71,411         | \$ (27,401) |

#### Assets Under Management

##### Private Equity

The following table reflects the changes in the AUM of our Private Equity business line from December 31, 2022 to December 31, 2023:

|                         | (\$ in millions) |
|-------------------------|------------------|
| December 31, 2022       | \$ 165,147       |
| New Capital Raised      | 6,901            |
| Distributions and Other | (9,340)          |
| Change in Value         | 13,669           |
| December 31, 2023       | \$ 176,377       |

AUM of our Private Equity business line was \$176.4 billion at December 31, 2023, an increase of \$11.3 billion, compared to \$165.1 billion at December 31, 2022.

The increase was primarily attributable to (i) an appreciation in investment value from Americas Fund XII, Asian Fund III, and our core private equity strategy, and to a lesser extent (ii) new capital raised from private equity vehicles for private wealth investors, Ascendant Fund, and Global Impact Fund II. Partially offsetting the increase was distributions to fund investors primarily as a result of realized proceeds, most notably from Americas Fund XII, our core private equity strategy, and Asian Fund III.

For the year ended December 31, 2023, the value of our traditional private equity investment portfolio increased by 16%. This was comprised of a 63% increase in share prices of publicly held investments and a 10% increase in value of our privately held investments. For the year ended December 31, 2023, the value of our growth equity investment portfolio increased 14% and our core private equity investment portfolio increased 6%.

The most significant increases in share prices of our publicly held investments were increases in AppLovin Corporation, Kokusai Electric Corporation, and BridgeBio Pharma, Inc. These increases were partially offset by decreases in share prices of other publicly held investments, the most significant of which was ZJLD Group Inc. (HKG: 6979). The prices of publicly held companies may experience volatile changes following the reporting period. See "Risk Factors" and "—Business Environment" for more information about the factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

The most significant increases in the value of our privately held investments were increases in USI, Inc., Cloudera, Inc. (technology sector), and Exact Holdings B.V. These increases in value on our privately held investments were partially offset by decreases in the value of certain other privately held investments, the most significant of which were Accell Group N.V. (consumer products sector), PetVet Care Centers, LLC, and GenesisCare Pty Ltd. The increased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) individual company performance, (ii) an increase in the value of market comparables, and (iii) with respect to USI, Inc., an increase in valuation related to a partial sale transaction. The decreased valuations of individual companies in our privately held investments, in the aggregate, relating primarily to challenging market and economic conditions. See "Risk Factors" and "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuation.

#### Real Assets

The following table reflects the changes in the AUM of our Real Assets business line from December 31, 2022 to December 31, 2023:

|                         | (\$ in millions) |
|-------------------------|------------------|
| December 31, 2022       | \$ 118,592       |
| New Capital Raised      | 15,984           |
| Distributions and Other | (7,112)          |
| Redemptions             | (311)            |
| Change in Value         | 3,780            |
| December 31, 2023       | \$ 130,933       |

AUM of our Real Assets business line was \$130.9 billion at December 31, 2023, an increase of \$12.3 billion, compared to \$118.6 billion at December 31, 2022.

The increase was primarily attributable to (i) new capital raised from Global Atlantic under our investment management agreements with our insurance companies, infrastructure vehicles for private wealth investors, and Diversified Core Infrastructure Fund, and to a lesser extent (ii) an appreciation in investment value from Global Infrastructure Investors III and Global Infrastructure Investors IV. Partially offsetting the increase were (i) payments to Global Atlantic policyholders, and (ii) distributions to fund investors as a result of realized proceeds, most notably from Global Infrastructure Investors II.

For the year ended December 31, 2023, the value of our infrastructure investment portfolio increased 18%, the value of our opportunistic real estate equity investment portfolio decreased by 2%, and the value of our energy investment portfolio decreased by 7%.

The most significant increases in value across our Real Assets portfolio were increases in FiberCop S.p.A. (infrastructure: telecommunications infrastructure sector), CyrusOne Inc. (infrastructure: asset leasing sector), and Atlantic Aviation FBO Inc. These increases in value were partially offset by decreases in value relating primarily to various assets held in our opportunistic real estate equity investment portfolio and energy portfolio. The increased valuations of individual companies or assets in the aggregate, generally related to (i) individual company or asset performance and (ii) a decrease in interest rates which reduced the cost of capital in our discounted cash flow methodology for certain valuations. The decreased valuations of individual companies or assets in the aggregate, generally related to an increase in capitalization rates and discount rates which generally negatively impacted our real estate equity portfolio, and a decrease in oil and natural gas prices, which generally negatively impact our energy portfolio. The prices of publicly held companies may experience volatile changes following the reporting period. See "Risk Factors" and "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

#### Credit and Liquid Strategies

The following table reflects the changes in the AUM of our Credit and Liquid Strategies business line from December 31, 2022 to December 31, 2023:

|                         | (\$ in millions) |
|-------------------------|------------------|
| December 31, 2022       | \$ 220,158       |
| New Capital Raised      | 46,581           |
| Distributions and Other | (18,237)         |
| Redemptions             | (8,036)          |
| Change in Value         | 5,025            |
| December 31, 2023       | \$ 245,491       |

AUM of our Credit and Liquid Strategies business line totaled \$245.5 billion at December 31, 2023, an increase of \$25.3 billion compared to AUM of \$220.2 billion at December 31, 2022.

The increase was primarily attributable to (i) new capital raised from Global Atlantic, various private credit funds, and the issuance of CLOs, and to a lesser extent (ii) appreciation in investment value on assets managed by Marshall Wace, and across our leveraged credit and private credit investment funds. Partially offsetting the increase were (i) payments to Global Atlantic policyholders, (ii) distributions to, and redemptions from, fund investors at certain leveraged credit funds, and (iii) redemptions at Marshall Wace.

See also "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

## Fee Paying Assets Under Management

### Private Equity

The following table reflects the changes in the FPAUM of our Private Equity business line from December 31, 2022 to December 31, 2023:

|                         | (\$ in millions) |
|-------------------------|------------------|
| December 31, 2022       | \$ 102,261       |
| New Capital Raised      | 10,533           |
| Distributions and Other | (5,483)          |
| Change in Value         | 415              |
| December 31, 2023       | \$ 107,726       |

FPAUM of our Private Equity business line was \$107.7 billion at December 31, 2023, an increase of \$5.4 billion, compared to \$102.3 billion at December 31, 2022.

The increase was primarily attributable to new capital raised from private equity vehicles for private wealth investors, our core private equity strategy portfolio, and Ascendant Fund. Partially offsetting the increase was (i) a reduction in FPAUM for the write-off of Envision Healthcare Corporation and GenesisCare Pty. Ltd., (ii) distributions to fund investors primarily as a result of realized proceeds, most notably from Americas Fund XII, and (iii) a reduction in fee base for European Fund III and China Growth Fund, which no longer pay management fees.

Uncalled capital commitments from private equity funds and other investment vehicles from which KKR is currently not earning management fees amounted to approximately \$16.5 billion at December 31, 2023, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.0%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

### Real Assets

The following table reflects the changes in the FPAUM of our Real Assets business line from December 31, 2022 to December 31, 2023:

|                                          | (\$ in millions) |
|------------------------------------------|------------------|
| December 31, 2022                        | \$ 103,532       |
| New Capital Raised                       | 16,645           |
| Distributions and Other                  | (6,766)          |
| Redemptions                              | (311)            |
| Net Changes in Fee Base of Certain Funds | (805)            |
| Change in Value                          | (41)             |
| December 31, 2023                        | \$ 112,254       |

FPAUM of our Real Assets business line was \$112.3 billion at December 31, 2023, an increase of \$8.8 billion, compared to \$103.5 billion at December 31, 2022.

The increase was primarily attributable to new capital raised from Global Atlantic, Diversified Core Infrastructure Fund, and infrastructure vehicles for private wealth investors. Partially offsetting the increase were (i) payments to Global Atlantic policyholders, (ii) a change in fee base for both Real Estate Partners Europe II and Asia Real Estate Partners as a result of entering their post-investment periods, during which we earn fees on invested capital rather than committed capital, and (iii) distributions to fund investors as a result of realized proceeds, most notably from Global Infrastructure Investors II.

Uncalled capital commitments from real assets investment funds from which KKR is currently not earning management fees amounted to approximately \$9.7 billion at December 31, 2023, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.2%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

### Credit and Liquid Strategies

The following table reflects the changes in the FPAUM of our Credit and Liquid Strategies business line from December 31, 2022 to December 31, 2023:

|                         | (\$ in millions) |
|-------------------------|------------------|
| December 31, 2022       | \$ 206,130       |
| New Capital Raised      | 43,968           |
| Distributions and Other | (19,619)         |
| Redemptions             | (8,036)          |
| Change in Value         | 3,985            |
| December 31, 2023       | \$ 226,428       |

FPAUM of our Credit and Liquid Strategies business line was \$226.4 billion at December 31, 2023, an increase of \$20.3 billion compared to \$206.1 billion at December 31, 2022.

The increase was primarily attributable to (i) new capital raised from Global Atlantic, various private credit funds, and the issuance of CLOs, and to a lesser extent (ii) appreciation of the assets managed by Marshall Wace and investments across our leveraged credit and private credit investment funds. Partially offsetting the increase were (i) payments to Global Atlantic policyholders, (ii) distributions to, and redemptions from, fund investors at certain leveraged credit funds, (iii) redemptions at Marshall Wace, and (iv) a reduction in fee base for certain SIG funds, which no longer pay management fees.

Uncalled capital commitments from credit investment funds from which KKR is currently not earning management fees amounted to approximately \$13.1 billion at December 31, 2023. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 0.7%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

See "Risk Factors" and "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

#### Uncalled Commitments

##### Private Equity

As of December 31, 2023, our Private Equity business line had \$57.4 billion of remaining uncalled commitments that could be called for investments in new transactions as compared to \$65.9 billion as of December 31, 2022. The decrease was primarily attributable to capital called from fund investors to make investments during the period, which was partially offset by new capital commitments from fund investors.

##### Real Assets

As of December 31, 2023, our Real Assets business line had \$24.7 billion of remaining uncalled commitments that could be called for investments in new transactions as compared to \$27.5 billion as of December 31, 2022. The decrease was primarily attributable to capital called from fund investors to make investments during the period, which was partially offset by new capital commitments from fund investors.

##### Credit and Liquid Strategies

As of December 31, 2023, our Credit and Liquid Strategies business line had \$16.5 billion of remaining uncalled commitments that could be called for investments in new transactions as compared to \$14.3 billion as of December 31, 2022. The increase was primarily attributable to new capital commitments from fund investors, which was partially offset by capital called from fund investors to make investments during the period.

#### Capital Invested

##### Private Equity

For the year ended December 31, 2023, \$13.5 billion of capital was invested by our Private Equity business line, as compared to \$18.8 billion for the year ended December 31, 2022. The decrease was driven primarily by a \$6.7 billion decrease in capital invested in our traditional private equity strategy, partially offset by a \$2.3 billion increase in capital invested in our core private equity strategy. During the year ended December 31, 2023, 59% of capital deployed in private equity was in transactions in North America, 35% was in Europe, and 6% was in the Asia-Pacific region. The number of large private equity investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

##### Real Assets

For the year ended December 31, 2023, \$15.5 billion of capital was invested by our Real Assets business line, as compared to \$27.8 billion for the year ended December 31, 2022. The decrease was driven primarily by a \$6.6 billion decrease in capital invested in our real estate strategy and a \$5.5 billion decrease in capital invested in our infrastructure strategy. During the year ended December 31, 2023, 47% of capital deployed in real assets was in transactions in North America, 31% was in Europe, and 22% was in the Asia-Pacific region. The number of large real assets investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

##### Credit and Liquid Strategies

For the year ended December 31, 2023, \$15.0 billion of capital was invested by our Credit and Liquid Strategies business line, as compared to \$24.7 billion for the year ended December 31, 2022. The decrease was primarily due to a lower level of capital deployed in our private credit strategies. During the year ended December 31, 2023, 80% of capital

deployed was in transactions in North America, 17% was in Europe, and 3% was in the Asia-Pacific region.

## Analysis of Insurance Segment Operating Results

Effective January 1, 2023, we adopted new accounting guidance for insurance and reinsurance companies that issue long-duration contracts ("LDTI") with retrospective application to February 1, 2021, the date of the 2021 GA Acquisition. For a more detailed discussion of the adoption of the LDTI, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.

The following tables set forth information regarding KKR's insurance segment operating results for the years ended December 31, 2023 and 2022:

|                                                                     | Years Ended       |                   |                  |
|---------------------------------------------------------------------|-------------------|-------------------|------------------|
|                                                                     | December 31, 2023 | December 31, 2022 | Change           |
|                                                                     | (\$ in thousands) |                   |                  |
| Net Investment Income                                               | \$ 5,377,817      | \$ 4,112,244      | \$ 1,265,573     |
| Net Cost of Insurance                                               | (3,283,009)       | (2,295,133)       | (987,876)        |
| General, Administrative and Other                                   | (805,109)         | (638,274)         | (166,835)        |
| Pre-tax Operating Earnings                                          | 1,289,699         | 1,178,837         | 110,862          |
| Pre-tax Operating Earnings Attributable to Noncontrolling Interests | (473,062)         | (454,075)         | (18,987)         |
| <b>Insurance Segment Operating Earnings</b>                         | <b>\$ 816,637</b> | <b>\$ 724,762</b> | <b>\$ 91,875</b> |

### Insurance Segment Operating Earnings

Insurance segment operating earnings increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to higher net investment income resulting from the increase in the investment portfolio due to the inflows from new business volumes and higher average yields. The increase was offset in part by (i) higher net cost of insurance, primarily due to the growth in both the individual market and institutional market channels and the associated higher funding costs on the new business and the ordinary course run off of older business that was originated in a lower rate environment, and (ii) a corresponding increase in general and administrative expenses.

### Net Investment Income

Net investment income increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to (i) increased average assets under management due to growth in assets in the institutional market channel as a result of new reinsurance transactions and individual market channel sales from new business growth, (ii) increases in portfolio yields due to higher market interest rates, and (iii) the benefit in 2023 of rotating into higher yielding assets during 2022. Offsetting these increases to net investment income was a decrease in variable investment income, primarily due to a decrease in net realized gains from the sale of investments not related to asset/liability matching strategies.

### Net Cost of Insurance

Net cost of insurance increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to (i) growth in reserves in the institutional market as a result of new reinsurance transactions and in the individual market as a result of new business volumes, and (ii) higher average funding costs due to higher crediting rates and the routine run-off of older business originated in a lower interest rate environment.

### General, Administrative and Other Expenses

General and administrative expenses increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 primarily due to (i) an increase in interest expense on floating rate debt (i.e., Global Atlantic's fixed-to-floating swaps on its fixed rate debt) due to higher market interest rates and higher total debt outstanding, and (ii) increased employee compensation and benefits-related expenses.

### Pre-tax Operating Earnings Attributable to Noncontrolling Interests

Pre-tax operating earnings attributable to noncontrolling interests increased for the year ended December 31, 2023 as compared to the year ended December 31, 2022 in proportion to the increase in insurance segment operating earnings for the comparable period. Pre-tax operating earnings attributable to noncontrolling interests represent the proportionate interest in the insurance segment operating earnings attributable to third party co-investors in Global Atlantic.

## Analysis of Non-GAAP Performance Measures

The following is a discussion of our Non-GAAP performance measures for the years ended December 31, 2023 and 2022:

|  | Years Ended       |                   |        |
|--|-------------------|-------------------|--------|
|  | December 31, 2023 | December 31, 2022 | Change |



|                                                     | (\$ in thousands)   |                     |                     |
|-----------------------------------------------------|---------------------|---------------------|---------------------|
| Asset Management Segment Operating Earnings         | \$ 3,369,872        | \$ 3,985,899        | \$ (616,027)        |
| Insurance Segment Operating Earnings                | 816,637             | 724,762             | 91,875              |
| <b>Distributable Operating Earnings</b>             | <b>4,186,509</b>    | <b>4,710,661</b>    | <b>(524,152)</b>    |
| Interest Expense                                    | (357,084)           | (315,189)           | (41,895)            |
| Net Income Attributable to Noncontrolling Interests | (25,950)            | (23,200)            | (2,750)             |
| Income Taxes on Operating Earnings                  | (763,382)           | (859,964)           | 96,582              |
| <b>After-tax Distributable Earnings</b>             | <b>\$ 3,040,093</b> | <b>\$ 3,512,308</b> | <b>\$ (472,215)</b> |

#### Distributable Operating Earnings

The decrease in distributable operating earnings for the year ended December 31, 2023 compared to the prior period was primarily due to a lower level of asset management segment operating earnings partially offset by a higher level of insurance segment operating earnings. For a discussion of the asset management and insurance segment operating earnings, see "—Analysis of Asset Management Segment Operating Results" and "—Analysis of Insurance Segment Operating Results."

#### After-tax Distributable Earnings

The decrease in after-tax distributable earnings for the year ended December 31, 2023 compared to the prior period was primarily due to a lower level of distributable operating earnings and an increase in interest expense partially offset by a decrease in income taxes on operating earnings.

#### Interest Expense

The increase in interest expense for the year ended December 31, 2023 compared to the prior period was primarily due to (i) the issuance of fixed rate notes in the current year and (ii) higher market interest rates and higher revolving borrowings outstanding in the current year under the KCM short-term credit facility for use in our capital markets business line.

#### Income Taxes on Operating Earnings

The decrease in income taxes on operating earnings for the year ended December 31, 2023 compared to the prior period was primarily due to a lower level of asset management segment operating earnings.

For the years ended December 31, 2023 and 2022, the amount of the tax benefit from equity-based compensation included in income taxes on operating earnings was \$51.3 million and \$65.4 million, respectively. The inclusion of the tax benefit from equity-based compensation in After-tax Distributable Earnings had the effect of increasing this measure by 2% for both periods.

### Analysis of Asset Management Segment Operating Results

The following tables set forth information regarding KKR's asset management segment operating results for the years ended December 31, 2022 and 2021.

|                                                    | Years Ended         |                     |                     |
|----------------------------------------------------|---------------------|---------------------|---------------------|
|                                                    | December 31, 2022   | December 31, 2021   | Change              |
|                                                    | (\$ in thousands)   |                     |                     |
| Management Fees                                    | \$ 2,656,487        | \$ 2,071,440        | \$ 585,047          |
| Transaction and Monitoring Fees, Net               | 775,933             | 1,004,241           | (228,308)           |
| Fee Related Performance Revenues                   | 90,665              | 45,852              | 44,813              |
| Fee Related Compensation                           | (769,735)           | (702,387)           | (67,348)            |
| Other Operating Expenses                           | (585,999)           | (449,155)           | (136,844)           |
| Fee Related Earnings                               | 2,167,351           | 1,969,991           | 197,360             |
| Realized Performance Income                        | 2,176,658           | 2,141,596           | 35,062              |
| Realized Performance Income Compensation           | (1,333,526)         | (1,239,177)         | (94,349)            |
| Realized Investment Income                         | 1,134,419           | 1,613,244           | (478,825)           |
| Realized Investment Income Compensation            | (159,003)           | (241,994)           | 82,991              |
| <b>Asset Management Segment Operating Earnings</b> | <b>\$ 3,985,899</b> | <b>\$ 4,243,660</b> | <b>\$ (257,761)</b> |

#### Management Fees

The following table presents management fees by business line:

|                              | Years Ended         |                     |                   |
|------------------------------|---------------------|---------------------|-------------------|
|                              | December 31, 2022   | December 31, 2021   | Change            |
|                              | (\$ in thousands)   |                     |                   |
| <b>Management Fees</b>       |                     |                     |                   |
| Private Equity               | \$ 1,188,463        | \$ 967,038          | \$ 221,425        |
| Real Assets                  | 679,890             | 437,102             | 242,788           |
| Credit and Liquid Strategies | 788,134             | 667,300             | 120,834           |
| <b>Total Management Fees</b> | <b>\$ 2,656,487</b> | <b>\$ 2,071,440</b> | <b>\$ 585,047</b> |

The increase in Private Equity business line management fees was primarily attributable to a higher level of management fees earned from North America Fund XIII and European Fund VI. The increase was partially offset by a decrease in management fees earned from European Fund V and Americas Fund XII as a result of entering their post-investment periods and, consequently, we now earn fees based on capital invested rather than capital committed and at a lower fee rate. During the fourth quarter of 2022, approximately \$11 million of management fees were earned on new capital raised that is retroactive to the start of the fund's investment period.

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The increase in Real Assets business line management fees was primarily due to (i) a higher level of management fees earned from Global Infrastructure Investors IV, (ii) an increase in management fees earned from Global Atlantic and (iii) management fees earned on assets managed by KJRM, which we acquired in 2022. These increases were partially offset by a decrease in management fees earned from (i) Real Estate Partners Americas II as a result of a decline in capital invested from investment realizations (of which this investment fund's fee base is invested capital) and (ii) Global Infrastructure Investors III as a result of entering its post-investment period and, consequently, we now earn fees based on capital invested rather than capital committed.

The increase in Credit and Liquid Strategies business line management fees was primarily attributable to (i) an increase in management fees earned from Global Atlantic and (ii) a higher level of management fees earned from **FS KKR Capital Corp. ("FSK")**, our business development company, **FSK**.

#### Transaction and Monitoring Fees, Net

The following table presents transaction and monitoring fees, net by business line:

|                                                   | Years Ended       |                     |                     |
|---------------------------------------------------|-------------------|---------------------|---------------------|
|                                                   | December 31, 2022 | December 31, 2021   | Change              |
|                                                   | (\$ in thousands) |                     |                     |
| <b>Transaction and Monitoring Fees, Net</b>       |                   |                     |                     |
| Private Equity                                    | \$ 120,410        | \$ 122,478          | \$ (2,068)          |
| Real Assets                                       | 33,202            | 20,687              | 12,515              |
| Credit and Liquid Strategies                      | 22,018            | 14,181              | 7,837               |
| Capital Markets                                   | 600,303           | 846,895             | (246,592)           |
| <b>Total Transaction and Monitoring Fees, Net</b> | <b>\$ 775,933</b> | <b>\$ 1,004,241</b> | <b>\$ (228,308)</b> |

Our Capital Markets business line earns transaction fees, which are not shared with fund investors. The decrease in **capital markets** transaction fees was primarily due to a decrease in the number of capital markets transactions for the year ended December 31, 2022, compared to the year ended December 31, 2021. Overall, we completed 240 capital markets transactions for the year ended December 31, 2022, of which 29 represented equity offerings and 211 represented debt offerings, as compared to 358 transactions for the year ended December 31, 2021, of which 60 represented equity offerings and 298 represented debt offerings. We earned fees in connection with underwriting, syndication and other capital markets services. While each of the capital markets transactions that we undertake in this business line is separately negotiated, our fee rates are generally higher with respect to underwriting or syndicating equity offerings than with respect to debt offerings, and the amount of fees that we earn for similar transactions generally correlates with overall transaction sizes.

Our capital markets fees are generated in connection with **activity involving** our **private equity, real assets** **Private Equity, Real Assets**, and **credit funds** **Credit and Liquid Strategies business lines** as well as from third-party companies. For the year ended December 31, 2022, approximately 14% of our transaction fees in our Capital Markets business line were earned from unaffiliated third parties as compared to approximately 23% for the year ended December 31, 2021. Our transaction fees are comprised of fees earned from North America, Europe, and the Asia-Pacific region. For the year ended December 31, 2022, approximately 46% of our transaction fees were generated outside of North America as compared to approximately 38% for the year ended December 31, 2021. Our Capital Markets business line is dependent on the overall capital markets environment, which is influenced by equity prices, credit spreads, and volatility. Our Capital Markets business line does not generate monitoring fees.

Our Private Equity, Real Assets, and Credit and Liquid Strategies business lines separately earn transaction and monitoring fees from portfolio companies, and under the terms of the management agreements with certain of our investment funds, we are **generally** required to share all or a portion of such fees with our fund investors. Additionally, transaction fees are generally not earned with respect to energy and real estate investments.

The decrease in our Private Equity business line transaction and monitoring fees, net, was primarily attributable to a lower average transaction fee earned in 2022. During the year ended December 31, 2022, there were 77 transaction fee-generating investments that paid an average fee of \$5.3 million compared to 76 transaction fee-generating investments that paid an average fee of \$5.5 million during the year ended December 31, 2021. For the year ended December 31, 2022, approximately 46% of Private Equity transaction fees were paid by companies in North America, 31% were paid from companies in the Asia-Pacific region, and 23% were paid from companies in Europe. Transaction fees vary by investment based upon a number of factors, the most significant of which are transaction size, the amount of the fees as set forth in the transaction agreements, the complexity of the transaction, and KKR's role in the transaction.

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## Fee Related Performance Revenues

The following table presents fee related performance revenues by business line:

|                                        | Years Ended       |                   |           |
|----------------------------------------|-------------------|-------------------|-----------|
|                                        | December 31, 2022 | December 31, 2021 | Change    |
|                                        | (\$ in thousands) |                   |           |
| Fee Related Performance Revenues       |                   |                   |           |
| Private Equity                         | \$ —              | \$ —              | \$ —      |
| Real Assets                            | 51,183            | 9,068             | 42,115    |
| Credit and Liquid Strategies           | 39,482            | 36,784            | 2,698     |
| Total Fee Related Performance Revenues | \$ 90,665         | \$ 45,852         | \$ 44,813 |

Fee related performance revenues represent performance fees that are (i) expected to be received from our investment funds, vehicles and accounts on a recurring basis, and (ii) not dependent on a realization event involving investments held by the investment fund, vehicle or account. These performance fees are primarily earned from FSK (our business development company), KKR Property Partners Americas ("KPPA") (our open-ended core plus real estate fund), KREST (our registered closed-end real estate equity fund), KREF (our real estate credit investment trust), and KJRM (our Japanese real estate investment trust asset manager). Fee related performance revenues were higher for the year ended December 31, 2022 compared to the prior period primarily due to performance revenues earned from KPPA and KJRM in the current period.

## Fee Related Compensation

The increase in fee related compensation for the year ended December 31, 2022 compared to the prior period was primarily due to a higher level of compensation recorded in connection with the higher level of revenues included within fee related earnings.

## Other Operating Expenses

The increase in other operating expenses for the year ended December 31, 2022 compared to the prior period was primarily due to (i) a higher level of professional fees, information technology and other administrative costs in connection with the growth of the firm and (ii) an increase in travel related expenses as a result of a return of travel activity to pre-COVID-19 pandemic levels.

## Fee Related Earnings

The increase in fee related earnings for the year ended December 31, 2022 compared to the prior period is primarily due to a higher level of management fees from our Private Equity, Real Assets, and Credit and Liquid Strategies business lines and a higher level of fee related performance revenues, partially offset by a lower level of transaction and monitoring fees, net, and a higher level of fee related compensation and other operating expenses, as described above.

## Realized Performance Income

The following table presents realized performance income by business line:

|                                   | Years Ended       |                   |            |
|-----------------------------------|-------------------|-------------------|------------|
|                                   | December 31, 2022 | December 31, 2021 | Change     |
|                                   | (\$ in thousands) |                   |            |
| Realized Performance Income       |                   |                   |            |
| Private Equity                    | \$ 1,903,580      | \$ 1,678,753      | \$ 224,827 |
| Real Assets                       | 113,465           | 97,312            | 16,153     |
| Credit and Liquid Strategies      | 159,613           | 365,531           | (205,918)  |
| Total Realized Performance Income | \$ 2,176,658      | \$ 2,141,596      | \$ 35,062  |

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|  | Years Ended |
|--|-------------|
|--|-------------|

|                                                | December 31, 2022 | December 31, 2021 | Change       |
|------------------------------------------------|-------------------|-------------------|--------------|
|                                                | (\$ in thousands) |                   |              |
| Private Equity                                 |                   |                   |              |
| North America Fund XI                          | \$ 932,428        | \$ 433,708        | \$ 498,720   |
| Core Investment Vehicles                       | 262,219           | 80,937            | 181,282      |
| 2006 Fund                                      | 231,689           | 219,737           | 11,952       |
| Americas Fund XII                              | 197,023           | 207,559           | (10,536)     |
| Asian Fund III                                 | 104,601           | 387,863           | (283,262)    |
| European Fund IV                               | 86,233            | 186,476           | (100,243)    |
| Co-Investment Vehicles and Other               | 55,868            | 90,305            | (34,437)     |
| Next Generation Technology Growth Fund         | —                 | 32,544            | (32,544)     |
| European Fund III                              | —                 | 353               | (353)        |
| Total Realized Carried Interest <sup>(1)</sup> | 1,870,061         | 1,639,482         | 230,579      |
| Incentive Fees                                 | 33,519            | 39,271            | (5,752)      |
| Total Realized Performance Income              | \$ 1,903,580      | \$ 1,678,753      | \$ 224,827   |
|                                                | Years Ended       |                   |              |
|                                                | December 31, 2022 | December 31, 2021 | Change       |
|                                                | (\$ in thousands) |                   |              |
| Real Assets                                    |                   |                   |              |
| Real Estate Partners Americas II               | \$ 95,772         | \$ —              | \$ 95,772    |
| Global Infrastructure Investors II             | 17,693            | 72,862            | (55,169)     |
| Real Estate Partners Europe                    | —                 | 18,200            | (18,200)     |
| Co-Investment Vehicles and Other               | —                 | 3,283             | (3,283)      |
| Global Infrastructure Investors                | —                 | 2,967             | (2,967)      |
| Total Realized Carried Interest <sup>(1)</sup> | 113,465           | 97,312            | 16,153       |
| Incentive Fees                                 | —                 | —                 | —            |
| Total Realized Performance Income              | \$ 113,465        | \$ 97,312         | \$ 16,153    |
|                                                | Years Ended       |                   |              |
|                                                | December 31, 2022 | December 31, 2021 | Change       |
|                                                | (\$ in thousands) |                   |              |
| Credit and Liquid Strategies                   |                   |                   |              |
| Alternative Credit and Other Funds             | \$ 10,334         | \$ 15,336         | \$ (5,002)   |
| Total Realized Carried Interest <sup>(1)</sup> | 10,334            | 15,336            | (5,002)      |
| Incentive Fees                                 | 149,279           | 350,195           | (200,916)    |
| Total Realized Performance Income              | \$ 159,613        | \$ 365,531        | \$ (205,918) |

(1) The above tables exclude any funds for which there was no realized carried interest during both of the periods presented.

Realized performance income includes (i) realized carried interest from our carry-earning carry earning funds and (ii) incentive fees not included in Fee Related Performance Revenues.

Realized carried interest in our Private Equity business line for the year ended December 31, 2022 consisted primarily of realized proceeds from the sales of our investments in Internet Brands, Inc. (technology sector) and CHI Overhead Doors, Inc. (manufacturing sector) held by North America Fund XI, Fiserv, Inc. held by 2006 Fund, and performance income from our core investment vehicles.

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Realized carried interest in our Private Equity business line for the year ended December 31, 2021 consisted primarily of realized proceeds from the sales of our investments in Kokusai Electric Corporation. (manufacturing sector), The Bountiful Company (consumer products sector), Ingersoll Rand Inc. (NYSE: IR), Academy Sports & Outdoors Inc. (NASDAQ: ASO), and Endeavor Group Holdings, Inc. (NASDAQ: EDR).

Realized carried interest in our Real Assets business line for the year ended December 31, 2022 consisted primarily of realized proceeds from dividends received and sales of various investments held by Real Estate Partners Americas II.

Realized carried interest in our Real Assets business line for the year ended December 31, 2021 consisted primarily of realized proceeds from (i) the sale of our infrastructure investments, Calisen PLC (LSE: CLSN LN) and Telxius Telecom S.A.U. (Infrastructure: telecommunications infrastructure sector) and (ii) dividends received from and sales of various investments held by Real Estate Partners Europe.

Incentive fees consist of performance fees earned from (i) our hedge fund partnerships, (ii) investment management agreements with KKR sponsored investment vehicles, and (iii) investment management agreements to provide KKR's investment strategies to funds managed by a UK investment fund manager.

Incentive fees in our Private Equity business line decreased for the year ended December 31, 2022 compared to the prior period as a result of a lower level of incentive fees being earned from assets we manage under a sub-advisory agreement with a UK investment fund manager in 2022. Incentive fees in our Credit and Liquid Strategies business line decreased for the year ended December 31, 2022 compared to the prior period primarily as a result of a lower level of performance fees earned from our hedge fund partnership, Marshall Wace.

#### Realized Performance Income Compensation

The increase in realized performance income compensation for the year ended December 31, 2022 compared to the prior period is primarily due to a higher level of compensation recorded in connection with the higher level of realized performance income.

#### Realized Investment Income

The following table presents realized investment income from our Principal Activities business line: line for the years ended December 31, 2022 and 2021:

|                                    |                                  | Years Ended       |                   |                   |
|------------------------------------|----------------------------------|-------------------|-------------------|-------------------|
|                                    |                                  | December          |                   |                   |
|                                    |                                  | December 31, 2022 | 31, 2021          | Change            |
|                                    |                                  | (\$ in thousands) |                   |                   |
|                                    |                                  | Years Ended       |                   | Years Ended       |
|                                    |                                  | December          |                   |                   |
|                                    |                                  | 31, 2022          | December 31, 2022 | December 31, 2021 |
|                                    |                                  |                   |                   | Change            |
|                                    |                                  | (\$ in thousands) |                   | (\$ in thousands) |
| Realized Investment Income         | Realized Investment Income       |                   |                   |                   |
| Net Realized Gains (Losses)        | Net Realized Gains (Losses)      |                   |                   |                   |
|                                    |                                  | \$                |                   |                   |
|                                    |                                  | 530,284           | \$1,199,414       | \$(669,130)       |
| Interest Income and Dividends      |                                  | 604,135           | 413,830           | 190,305           |
| Net Realized Gains (Losses)        |                                  |                   |                   |                   |
| Net Realized Gains (Losses)        |                                  |                   |                   |                   |
| Interest Income and Dividends, Net |                                  |                   |                   |                   |
| Total Realized Investment Income   | Total Realized Investment Income | \$                | 1,134,419         | \$1,613,244       |
|                                    |                                  |                   |                   | \$(478,825)       |

The decrease in realized investment income is primarily due to a lower level of net realized gains, partially offset by a higher level of interest income and dividends. The amount of realized investment income depends on the transaction activity of our funds and our subsidiaries, which can vary from period to period.

For the year ended December 31, 2022, net realized gains were comprised of realized gains primarily from the sale of our investments in Fiserv, Inc., Internet Brands, Inc., Viridor Limited, and CHI Overhead Doors, Inc. Partially offsetting these realized gains were realized losses, the most significant of which were (i) a realized loss on our alternative credit investment, Hilding Anders International AB, (consumer products sector), (ii) a realized loss on Magneti Marelli CK Holdings, and (iii) realized losses from the sales of various revolving credit facilities.

For the year ended December 31, 2021, net realized gains were comprised of realized gains primarily from the sale of our investments in FanDuel Inc., Mr. Cooper Group Inc., Fiserv, Inc., The Bountiful Company, and BridgeBio Pharma Inc. Partially offsetting these realized gains were realized losses, the most significant of which were realized losses on

certain hedging instruments.

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For the year ended December 31, 2022, interest income and dividends, net were comprised of (i) \$362.6 million of dividend income primarily from levered multi-asset investment vehicles, our investments in Exact Holdings B.V., Internet Brands, Inc. and Pembina Gas Infrastructure Inc. (midstream sector), and our real estate investments, including our investment in KPPA and KREF, and (ii) \$241.5 million of interest income primarily from our investments in CLOs.

For the year ended December 31, 2021, interest income and dividends, net were comprised of (i) \$261.3 million of dividend income primarily from our real estate investments, including our investment in KREF, as well as our investments in Viridor Limited, Kokusai Electric Corporation, and Arnott's Biscuits Limited and (ii) \$152.5 million of interest income primarily from our investments in CLOs and, to a lesser extent, our other credit investments. See "—Analysis of Non-GAAP Performance Measures—Non-GAAP Balance Sheet Measures."

We expect realized performance Following the KKR Capstone acquisition on January 1, 2020, KKR's after-tax distributable earnings includes the net income and (loss) from KKR Capstone within realized investment income to be greater than \$250 million in the first quarter of 2023 relating to realized carried interest and realized investment income from completed, or signed and expected to be completed sales, partial sales or secondary sales subsequent to December 31, 2022 with respect to certain private equity portfolio companies and other investments. Some of these transactions are not complete, and are subject to the satisfaction of closing conditions, including, but not limited, to regulatory approvals; there can be no assurance if or when any of these transactions will be completed.

(loss). For the year ended December 31, 2022, total fees attributable to KKR Capstone were \$86.7 million and total expenses attributable to KKR Capstone were \$81.7 million. For KKR Capstone-related adjustments in reconciling asset management segment revenues to GAAP revenues see "—Analysis of Non-GAAP Performance Balance Sheet Measures—Reconciliations to GAAP Measures". Measures."

## Realized Investment Income Compensation

The decrease in realized investment income compensation for the year ended December 31, 2022 compared to the prior period is primarily due to a lower level of compensation recorded in connection with the lower level of realized investment income.

## Other Operating and Capital Metrics

The following table presents certain key operating and capital metrics as of December 31, 2022 and December 31, 2021:

|                                    | As of             |                   |            |
|------------------------------------|-------------------|-------------------|------------|
|                                    | December 31, 2022 | December 31, 2021 | Change     |
|                                    | (\$ in millions)  |                   |            |
| Assets Under Management            | \$ 503,897        | \$ 470,555        | \$ 33,342  |
| Fee Paying Assets Under Management | \$ 411,923        | \$ 357,389        | \$ 54,534  |
| Uncalled Commitments               | \$ 107,679        | \$ 111,822        | \$ (4,143) |

The following table presents one of our key capital metrics for the year years ended December 31, 2022 and 2021:

|                  | Years Ended       |                   |            |
|------------------|-------------------|-------------------|------------|
|                  | December 31, 2022 | December 31, 2021 | Change     |
|                  | (\$ in millions)  |                   |            |
| Capital Invested | \$ 71,411         | \$ 73,318         | \$ (1,907) |

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## Assets Under Management

### Private Equity

The following table reflects the changes in the AUM of our Private Equity business line from December 31, 2021 to December 31, 2022:

|                         | (\$ in millions) |
|-------------------------|------------------|
| December 31, 2021       | \$ 173,745       |
| New Capital Raised      | 18,087           |
| Distributions and Other | (16,171)         |
| Change in Value         | (10,514)         |
| December 31, 2022       | \$ 165,147       |



AUM of our Private Equity business line was \$165.1 billion at December 31, 2022, a decrease of \$8.6 billion, compared to \$173.7 billion at December 31, 2021.

The decrease was primarily attributable to (i) distributions to fund investors primarily as a result of realized proceeds, most notably from North America Fund XI, 2006 Fund, and Americas Fund XII, (ii) the liquidation of KKR Acquisition Holdings I, our special purpose acquisition company, and (iii) a decrease in investment value from Americas Fund XII, Asian Fund III, and Asian Fund II. Partially offsetting these decreases was new capital raised from European Fund VI, a new strategic investor partnership investing across multi-strategies, and Next Generation Technology Growth Fund III.

For the year ended December 31, 2022, the value of our traditional private equity investment portfolio decreased by 14%. This was comprised of a 57% decrease in share prices of various publicly held investments and a 1% decrease in value of our privately held investments. For the year ended December 31, 2022, the value of our growth equity investment portfolio decreased 11% and our core private equity investment portfolio increased 7%.

The most significant decreases in share prices of our publicly held investments were decreases in AppLovin Corporation, (NASDAQ: APP), Max Healthcare Institute Limited (NSE: MAXHEALTH), and GoTo Gojek Tokopedia PT Tbk (IDX: GOTO). These decreases were partially offset by increases in share prices of other publicly held investments, the most significant of which were Hensoldt AG (FRA: HAG) and KnowBe4, Inc. (NASDAQ: KNBE). The prices of publicly held companies may experience volatile changes following the reporting period. See "Risk Factors" and "—Business Environment" for more information about the factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

The most significant decreases in the value of our privately held investments were decreases in Kokusai Electric Corporation, OneStream Software, LLC (technology sector), and Unser GmbH (financial services sector). These decreases in value on our privately held investments were partially offset by increases in the value of certain other privately held investments, the most significant of which were CHI Overhead Doors, Inc., ERM Worldwide Group Limited, and Internet Brands, Inc. The decreased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) an unfavorable business outlook and (ii) a decrease in the value of market comparables, both influenced by the challenging market and economic outlook and overall market environment conditions. The increased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) individual company performance, (ii) with respect to CHI Overhead Doors, Inc., an increase in valuation reflecting an agreement to exit the investment, which was executed in the period, and (iii) with respect to Internet Brands, Inc. an increase in valuation driven by a partial sale transaction, which was executed in the period. See "Risk Factors and"—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations

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#### [valuations.](#)

#### *Real Assets*

The following table reflects the changes in the AUM of our Real Assets business line from December 31, 2021 to December 31, 2022:

|                                       | (\$ in millions) |         |
|---------------------------------------|------------------|---------|
| December 31, 2021                     | \$               | 83,303  |
| New Capital Raised                    |                  | 29,244  |
| Acquisitions and Other <sup>(1)</sup> |                  | 13,779  |
| Distributions and Other               |                  | (6,369) |
| Change in Value                       |                  | (1,365) |
| December 31, 2022                     | \$               | 118,592 |

(1) Reflects the AUM of KJRM at closing of \$12,730 million and represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

AUM of our Real Assets business line was \$118.6 billion at December 31, 2022, an increase of \$35.3 billion, compared to \$83.3 billion at December 31, 2021.

The increase was primarily attributable to (i) assets managed by KJRM, which we acquired in 2022, and (ii) new capital raised from Global Atlantic, Asia Pacific Infrastructure Investors II and our open-ended core infrastructure fund, Diversified Core Infrastructure Fund. Partially offsetting these increases were payments to Global Atlantic policyholders and distributions to fund investors as a result of realized proceeds, most notably from Global Infrastructure Investors III and Real Estate Partners Americas II. The decrease in investment value was due to the impact of the (i) decline in the value of the Japanese yen associated with assets managed by KJRM and the decline in value of our real estate credit portfolio partially offset by the increase in value across our energy, infrastructure and opportunistic real estate equity investment portfolios.

For the year ended December 31, 2022, the value of our energy investment portfolio increased by 18%, the value of our infrastructure investment portfolio increased 5%, and the value of our opportunistic real estate equity investment portfolio increased by 3%.

The most significant increases in the value of our privately held investments related to various assets held in our energy portfolio, Sempra Global, L.P. (Infrastructure: energy and energy transition sector), and Viridor Limited. These increases in value were partially offset by decreases in value relating primarily to Colonial Enterprises, Inc. (midstream (infrastructure: midstream sector) and various assets held in our opportunistic real estate equity investment portfolio. The increased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to individual company or asset performance. The decreased valuations of individual companies or assets

in our privately held investments, in the aggregate, generally related to (i) a decrease in the value of market comparables and (ii) an unfavorable business outlook, both **influenced by relating primarily to challenging market and economic outlook conditions**. See **"Risk Factors"** and **market environment**. See **"—Business Environment"** for more information about the factors that may impact our business, financial performance, operating results and valuations.

The most significant decrease in share prices of our publicly held investments was a decrease in First Gen Corporation (PM: FGEN). The prices of publicly held companies may experience volatile changes following the reporting period. See **"Risk Factors"** and **"—Business Environment"** for more information about factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

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### Credit and Liquid Strategies

The following table reflects the changes in the AUM of our Credit and Liquid Strategies business line from December 31, 2021 to December 31, 2022:

|                                       | (\$ in millions) |
|---------------------------------------|------------------|
| December 31, 2021                     | \$ 213,507       |
| New Capital Raised                    | 33,883           |
| Acquisitions and Other <sup>(1)</sup> | 7,997            |
| Distributions and Other               | (15,854)         |
| Redemptions                           | (6,030)          |
| Change in Value                       | (13,345)         |
| December 31, 2022                     | \$ 220,158       |

(1) Represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

AUM of our Credit and Liquid Strategies business line totaled \$220.2 billion at December 31, 2022, an increase of \$6.7 billion compared to AUM of \$213.5 billion at December 31, 2021.

The increase was primarily attributable to (i) new capital raised from Global Atlantic and various alternative and leveraged credit investment vehicles and (ii) the change in fee base for Global Atlantic's management fees from fair market value to book value. Partially offsetting these increases were (i) payments to Global Atlantic policyholders, (ii) redemptions at **our hedge fund partnership**, Marshall Wace, (iii) distributions to fund investors at certain alternative credit funds and (iv) a decline in investment value on the assets managed across our leveraged credit portfolio.

See also **"Risk Factors"** and **"—Business Environment"** for more information about the factors that may impact our business, financial performance, operating results and valuations.

### Fee Paying Assets Under Management

#### Private Equity

The following table reflects the changes in the FPAUM of our Private Equity business line from December 31, 2021 to December 31, 2022:

|                                          | (\$ in millions) |
|------------------------------------------|------------------|
| December 31, 2021                        | \$ 87,890        |
| New Capital Raised                       | 20,735           |
| Distributions and Other                  | (3,887)          |
| Net Changes in Fee Base of Certain Funds | (1,573)          |
| Change in Value                          | (904)            |
| December 31, 2022                        | \$ 102,261       |

FPAUM of our Private Equity business line was \$102.3 billion at December 31, 2022, an increase of \$14.4 billion, compared to \$87.9 billion at December 31, 2021.

The increase was primarily attributable to new capital raised from European Fund VI, Next Generation Technology Growth Fund III, and Global Impact Fund II. Partially offsetting this increase were decreases from (i) distributions to fund investors, primarily as a result of realized proceeds, most notably from North America Fund XI and Asian Fund III, and (ii) a change in fee base for European Fund V as a result of entering its post-investment period, during which we earn fees on invested capital rather than committed capital.

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Uncalled capital commitments from private equity funds and multi-strategy other investment funds vehicles from which KKR is currently not earning management fees amounted to approximately \$18.6 billion at December 31, 2022, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.0%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

#### Real Assets

The following table reflects the changes in the FPAUM of our Real Assets business line from December 31, 2021 to December 31, 2022:

|                                          | (\$ in millions) |
|------------------------------------------|------------------|
| December 31, 2021                        | \$ 66,965        |
| New Capital Raised                       | 32,315           |
| Acquisitions and Other <sup>(1)</sup>    | 13,779           |
| Distributions and Other                  | (4,685)          |
| Net Changes in Fee Base of Certain Funds | (1,125)          |
| Change in Value                          | (3,717)          |
| December 31, 2022                        | \$ 103,532       |

(1) Reflects the FPAUM of KJRM at closing of \$12,730 million and represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

FPAUM of our Real Assets business line was \$103.5 billion at December 31, 2022, an increase of \$36.5 billion, compared to \$67.0 billion at December 31, 2021.

The increase was primarily attributable to (i) assets managed by KJRM, which we acquired in 2022, and (ii) new capital raised from Global Atlantic, Asia Pacific Infrastructure Investors II, and Diversified Core Infrastructure Fund. Partially offsetting these increases were (i) payments to Global Atlantic policyholders, (ii) a change in fee base for Asia Pacific Infrastructure Investors as a result of entering its post-investment period, during which we earn fees on invested capital rather than committed capital, and (iii) distributions to fund investors as a result of realized proceeds, most notably from Global Infrastructure Investors III.

Uncalled capital commitments from real assets investment funds from which KKR is currently not earning management fees amounted to approximately \$10.3 billion at December 31, 2022, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.2%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

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#### Credit and Liquid Strategies

The following table reflects the changes in the FPAUM of our Credit and Liquid Strategies business line from December 31, 2021 to December 31, 2022:

|                                       | (\$ in millions) |
|---------------------------------------|------------------|
| December 31, 2021                     | \$ 202,534       |
| New Capital Raised                    | 29,430           |
| Acquisitions and Other <sup>(1)</sup> | 7,997            |
| Distributions and Other               | (15,097)         |
| Redemptions                           | (6,030)          |
| Change in Value                       | (12,704)         |
| December 31, 2022                     | \$ 206,130       |

(1) Represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

FPAUM of our Credit and Liquid Strategies business line was \$206.1 billion at December 31, 2022, an increase of \$3.6 billion compared to \$202.5 billion at December 31, 2021.

The increase was primarily attributable to (i) new capital raised from Global Atlantic and various alternative and leveraged credit investment vehicles and (ii) the change in fee base for Global Atlantic's management fees from fair market value to book value. Partially offsetting these increases were (i) payments to Global Atlantic policyholders, (ii)

redemptions at [our hedge fund partnership](#), Marshall Wace, (iii) distributions to fund investors at certain alternative credit funds and (iv) a decline in investment value on the assets managed across our leveraged credit portfolio.

Uncalled capital commitments from investment funds in our Credit and Liquid Strategies business line from which KKR is currently not earning management fees amounted to approximately \$10.3 billion at December 31, 2022. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 0.7%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, which will occur over an extended period of time, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

See ["Risk Factors" and "—Business Environment"](#) for more information about the factors that may impact our business, financial performance, operating results and valuations.

## Uncalled Commitments

### *Private Equity*

As of December 31, 2022, our Private Equity business line had \$65.9 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$66.3 billion as of December 31, 2021. The decrease was primarily attributable to capital called from fund investors to make investments during the period, which was partially offset by new capital commitments from fund investors.

### *Real Assets*

As of December 31, 2022, our Real Assets business line had \$27.5 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$35.2 billion as of December 31, 2021. The decrease was primarily attributable to capital called from fund investors to make investments during the period, which was partially offset by new capital commitments from fund investors.

### *Credit and Liquid Strategies*

As of December 31, 2022, our Credit and Liquid Strategies business line had \$14.3 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$10.3 billion as of December 31, 2021. The increase was primarily attributable to new commitments from fund investors, which was partially offset by capital called from fund investors to make investments during the period.

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## Capital Invested

### *Private Equity*

For the year ended December 31, 2022, \$18.8 billion of capital was invested by our Private Equity business line, as compared to \$17.6 billion for the year ended December 31, 2021. The increase was driven primarily by a \$2.4 billion increase in capital invested in our traditional private equity strategy, partially offset by a \$1.5 billion decrease in capital invested in our core private equity strategy. During the year ended December 31, 2022, 56% of capital deployed in private equity was in transactions in North America, 26% was in the Asia-Pacific region, and 18% was in Europe. The number of large private equity investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

### *Real Assets*

For the year ended December 31, 2022, \$27.8 billion of capital was invested by our Real Assets business line, as compared to \$21.4 billion for the year ended December 31, 2021. The increase was driven primarily by a \$4.1 billion increase in capital invested in our infrastructure strategy and a \$1.6 billion increase in capital invested in our real estate strategy. During the year ended December 31, 2022, 69% of capital deployed in real assets was in transactions in North America, 23% was in Europe, and 8% was in the Asia-Pacific region. The number of large Real Asset investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

### *Credit and Liquid Strategies*

For the year ended December 31, 2022, \$24.7 billion of capital was invested by our Credit and Liquid Strategies business line, as compared to \$34.4 billion for the year ended December 31, 2021. The decrease was primarily due to a lower level of capital deployed across our direct lending and SIG strategies. During the year ended December 31, 2022, 87% of capital deployed was in transactions in North America, 9% was in Europe, and 4% was in the Asia-Pacific region.

## Analysis of Insurance Segment Operating Results

As discussed above, our insurance segment consists solely of the operations of Global Atlantic, which was acquired on February 1, 2021. For the year ended December 31, 2021, the results of our insurance segment is from the acquisition date, February 1, 2021, through December 31, 2021.

|                       | Years Ended          |                      |                      |
|-----------------------|----------------------|----------------------|----------------------|
|                       | Years Ended          |                      |                      |
|                       | Years Ended          |                      |                      |
|                       | December 31,<br>2022 | December<br>31, 2022 | December 31,<br>2021 |
|                       |                      |                      | Change               |
|                       |                      |                      | (\$ in<br>thousands) |
| Net Investment Income |                      |                      |                      |
| Net Investment Income |                      |                      |                      |

Insurance segment operating earnings Segment Operating Earnings

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Net investment income increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) one less month of activity reported in the prior financial reporting period as a result of the 2021 GA Acquisition having occurred on February 1, 2021, (ii) growth in portfolio yields due to higher market interest rates on floating rate investments, (iii) rotation into higher yielding assets, and (iv) increased average assets under management due to growth in assets in our Global Atlantic's institutional market channel as a result of new reinsurance transactions and individual market channel sales from new business growth. Offsetting these increases to net investment income was a decrease in variable investment income, primarily due to the non-recurrence of net realized gains from the sale of investments not related to asset/liability matching strategies, including in particular the disposition of Origis USA, LLC, reported in the prior financial reporting period.

Net cost of insurance increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) one less month of activity reported in the prior financial reporting period as a result of the 2021 GA Acquisition having occurred on February 1, 2021, (ii) growth in reserves in the institutional market as a result of new reinsurance transactions and in the individual market as a result of new business volumes, and (iii) higher funding costs on new business originated, and (iv) the impact of assumption review (as described in “—Consolidated Results of Operations (GAAP Basis)—Insurance (Unaudited)—Insurance—Assumption Review” above).

General and administrative expenses increased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 primarily due to (i) one less month of activity reported in the prior financial reporting period as a result of the 2021 GA Acquisition having occurred on February 1, 2021, (ii) increased employee compensation and benefits-related expenses, (iii) increased professional service fees, and (iv) increased TPA policy servicing fees, all due to growth of the business.

## Income taxes

Insurance segment income tax expense reflects the effective tax rate for the insurance segment on an

## Pre-tax Operating Earnings Attributable to Noncontrolling Interests

Pre-tax operating basis, including the benefit of investment tax credits for the prior year period.

## Net Income attributable to noncontrolling interests

Net income earnings attributable to noncontrolling interests decreased for the year ended December 31, 2022 as compared to the year ended December 31, 2021 in proportion to the decrease in insurance segment operating earnings for the comparable period. Net income Pre-tax operating earnings attributable to noncontrolling interests represents represent the proportionate interest in the insurance segment operating earnings attributable to other third party investors in Global Atlantic.

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## Analysis of Non-GAAP Performance Measures

The following is a discussion of our Non-GAAP performance measures for the years ended December 31, 2022 and 2021:

|                                                     | Year Ended          |                     |                     |
|-----------------------------------------------------|---------------------|---------------------|---------------------|
|                                                     | December 31, 2022   | December 31, 2021   | Change              |
|                                                     | (\$ in thousands)   |                     |                     |
| Asset Management Segment Operating Earnings         | \$ 3,985,899        | \$ 4,243,660        | \$ (257,761)        |
| Insurance Segment Operating Earnings                | 545,204             | 652,551             | (107,347)           |
| <b>Distributable Operating Earnings</b>             | <b>4,531,103</b>    | <b>4,896,211</b>    | <b>(365,108)</b>    |
| Interest Expense                                    | (315,189)           | (250,183)           | (65,006)            |
| Preferred Dividends                                 | —                   | (19,201)            | 19,201              |
| Net Income Attributable to Noncontrolling Interests | (23,200)            | (23,664)            | 464                 |
| Income Taxes Paid                                   | (738,841)           | (687,572)           | (51,269)            |
| <b>After-tax Distributable Earnings</b>             | <b>\$ 3,453,873</b> | <b>\$ 3,915,591</b> | <b>\$ (461,718)</b> |

For the year ended December 31, 2021, the results of our insurance segment above are from February 1, 2021 (closing date of the GA Acquisition) through December 31, 2021.

|                                                     | Years Ended         |                     |                     |
|-----------------------------------------------------|---------------------|---------------------|---------------------|
|                                                     | December 31, 2022   | December 31, 2021   | Change              |
|                                                     | (\$ in thousands)   |                     |                     |
| Asset Management Segment Operating Earnings         | \$ 3,985,899        | \$ 4,243,660        | \$ (257,761)        |
| Insurance Segment Operating Earnings                | 724,762             | 775,440             | (50,678)            |
| <b>Distributable Operating Earnings</b>             | <b>4,710,661</b>    | <b>5,019,100</b>    | <b>(308,439)</b>    |
| Interest Expense                                    | (315,189)           | (250,183)           | (65,006)            |
| Preferred Dividends                                 | —                   | (19,201)            | 19,201              |
| Net Income Attributable to Noncontrolling Interests | (23,200)            | (23,664)            | 464                 |
| Income Taxes on Operating Earnings                  | (859,964)           | (809,962)           | (50,002)            |
| <b>After-tax Distributable Earnings</b>             | <b>\$ 3,512,308</b> | <b>\$ 3,916,090</b> | <b>\$ (403,782)</b> |

## Distributable Operating Earnings

The decrease in distributable operating earnings for the year ended December 31, 2022 compared to the prior period is primarily due to a lower level of asset management segment operating earnings and insurance segment operating earnings. For a discussion of the asset management and insurance segment operating earnings, see "—Analysis of Asset Management Segment Operating Results" and "—Analysis of Insurance Segment Operating Results."

## After-tax Distributable Earnings

The decrease in after-tax distributable earnings for the year ended December 31, 2022 compared to the prior period was primarily due to a lower level of distributable operating earnings and an increase in interest expense and income taxes on operating earnings, partially offset by a decrease in preferred dividends.



## Interest Expense

The increase in interest expense for the year ended December 31, 2022 compared to the prior period is due primarily to debt issuances by KKR's financing subsidiaries.

## Preferred Dividends

The decrease in preferred dividends for the year ended December 31, 2022 compared to the prior period was attributable to the redemption of all of our Series A and B preferred stock, preferred.

## Income Taxes Paid on Operating Earnings

The increase in income taxes paid on operating earnings for the year ended December 31, 2022 compared to the prior period was primarily due to a lower tax benefit from equity-based compensation and an increase in U.S. state and local taxes.

## After-tax Distributable Earnings

The decrease in after-tax distributable earnings for the year ended December 31, 2022 compared to the prior period was primarily due to a lower level of distributable operating earnings and an increase in interest expense and income taxes paid, partially offset by a decrease in preferred dividends, as discussed above.

For the years ended December 31, 2022 and 2021, the amount of the tax benefit from equity-based compensation included in income taxes paid on operating earnings was \$65.4 million and \$123.1 million, respectively. The inclusion of the tax benefit from equity-based compensation in After-tax Distributable Earnings had the effect of increasing this measure by 2% and 3%, respectively, for the years ended December 31, 2022 and 2021.

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## Analysis of Asset Management Segment Operating Results

The following tables set forth information regarding KKR's asset management segment operating results for the years ended December 31, 2021 and 2020:

|                                                    | Year Ended          |                     |                     |
|----------------------------------------------------|---------------------|---------------------|---------------------|
|                                                    | December 31, 2021   | December 31, 2020   | Change              |
|                                                    | (\$ in thousands)   |                     |                     |
| Management Fees                                    | \$ 2,071,440        | \$ 1,441,578        | \$ 629,862          |
| Transaction and Monitoring Fees, Net               | 1,004,241           | 632,433             | 371,808             |
| Fee Related Performance Revenues                   | 45,852              | 39,555              | 6,297               |
| Fee Related Compensation                           | (702,387)           | (486,481)           | (215,906)           |
| Other Operating Expenses                           | (449,155)           | (346,558)           | (102,597)           |
| Fee Related Earnings                               | 1,969,991           | 1,280,527           | 689,464             |
| Realized Performance Income                        | 2,141,596           | 1,165,699           | 975,897             |
| Realized Performance Income Compensation           | (1,239,177)         | (697,071)           | (542,106)           |
| Realized Investment Income                         | 1,613,244           | 644,659             | 968,585             |
| Realized Investment Income Compensation            | (241,994)           | (106,830)           | (135,164)           |
| <b>Asset Management Segment Operating Earnings</b> | <b>\$ 4,243,660</b> | <b>\$ 2,286,984</b> | <b>\$ 1,956,676</b> |

## Management Fees

The following table presents management fees by business line:

|                              | Year Ended          |                     |                   |
|------------------------------|---------------------|---------------------|-------------------|
|                              | December 31, 2021   | December 31, 2020   | Change            |
|                              | (\$ in thousands)   |                     |                   |
| <b>Management Fees</b>       |                     |                     |                   |
| Private Equity               | \$ 967,038          | \$ 714,070          | \$ 252,968        |
| Real Assets                  | 437,102             | 262,537             | 174,565           |
| Credit and Liquid Strategies | 667,300             | 464,971             | 202,329           |
| <b>Total Management Fees</b> | <b>\$ 2,071,440</b> | <b>\$ 1,441,578</b> | <b>\$ 629,862</b> |

The increase in Private Equity business line management fees was primarily attributable to management fees earned from North America Fund XIII, Asian Fund IV, and Health Care Strategic Growth Fund II. The increase was partially offset by a decrease in management fees earned from Americas Fund XII and Asian Fund III as a result of entering their post-investment periods and, consequently, we now earn fees based on capital invested rather than capital committed and at a lower fee rate.

The increase in Real Assets business line management fees was primarily due to (i) management fees earned from Global Infrastructure Investors IV and Real Estate Partners Americas III, and (ii) an increase in management fees earned from Global Atlantic. These increases were partially offset by a decrease in management fees earned from Global Infrastructure Investors III as a result of entering its post-investment period and, consequently, we now earn fees based on capital invested rather than capital committed.

The increase in Credit and Liquid Strategies business line management fees was primarily attributable to (i) management fees earned from Global Atlantic during the period February 1, 2021 through December 31, 2021, (ii) the issuance of new CLOs subsequent to December 31, 2020, (iii) higher overall FPAUM at our hedge fund partnerships from investment appreciation and, to a lesser extent, net capital inflows, and (iv) net capital inflows in certain leveraged credit strategy accounts.

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### Transaction and Monitoring Fees, Net

The following table presents transaction and monitoring fees, net by business line:

|                                                   | Year Ended          |                   |                   |
|---------------------------------------------------|---------------------|-------------------|-------------------|
|                                                   | December 31, 2021   | December 31, 2020 | Change            |
|                                                   | (\$ in thousands)   |                   |                   |
| <b>Transaction and Monitoring Fees, Net</b>       |                     |                   |                   |
| Private Equity                                    | \$ 122,478          | \$ 135,235        | \$ (12,757)       |
| Real Assets                                       | 20,687              | 13,172            | 7,515             |
| Credit and Liquid Strategies                      | 14,181              | 3,543             | 10,638            |
| Capital Markets                                   | 846,895             | 480,483           | 366,412           |
| <b>Total Transaction and Monitoring Fees, Net</b> | <b>\$ 1,004,241</b> | <b>\$ 632,433</b> | <b>\$ 371,808</b> |

Our Capital Markets business line earns transaction fees, which are not shared with fund investors. The increase in transaction fees was primarily due to an increase in the number of capital markets transactions for the year ended December 31, 2021, compared to the year ended December 31, 2020. Overall, we completed 358 capital markets transactions for the year ended December 31, 2021, of which 60 represented equity offerings and 298 represented debt offerings, as compared to 193 transactions for the year ended December 31, 2020, of which 36 represented equity offerings and 157 represented debt offerings. We earned fees in connection with underwriting, syndication and other capital markets services. While each of the capital markets transactions that we undertake in this business line is separately negotiated, our fee rates are generally higher with respect to underwriting or syndicating equity offerings than with respect to debt offerings, and the amount of fees that we earn for similar transactions generally correlates with overall transaction sizes.

Our capital markets fees are generated in connection with our Private Equity, Real Assets, and Credit and Liquid Strategies business lines as well as from third-party companies. For the year ended December 31, 2021, approximately 23% of our transaction fees in our Capital Markets business line were earned from unaffiliated third parties as compared to approximately 18% for the year ended December 31, 2020. Our transaction fees are comprised of fees earned from North America, Europe, and the Asia-Pacific region. For the year ended December 31, 2021, approximately 38% of our transaction fees were generated outside of North America as compared to approximately 58% for the year ended December 31, 2020. Our Capital Markets business line is dependent on the overall capital markets environment, which is influenced by equity prices, credit spreads, and volatility. Our Capital Markets business line does not generate monitoring fees.

Our Private Equity, Real Assets, and Credit and Liquid Strategies business lines separately earn transaction and monitoring fees from portfolio companies, and under the terms of the management agreements with certain of our investment funds, we are required to share all or a portion of such fees with our fund investors. Additionally, transaction fees are generally not earned with respect to energy and real estate investments.

The decrease in Private Equity business line transaction and monitoring fees, net was primarily attributable to the write-off of outstanding monitoring fee receivables for two portfolio companies, partially offset by an increase in net transaction fees. During the year ended December 31, 2021, there were 76 transaction fee-generating investments that paid an average fee of \$5.5 million compared to 54 transaction fee-generating investments that paid an average fee of \$6.5 million during the year ended December 31, 2020. For the year ended December 31, 2021, approximately 52% of these transaction fees were paid by companies in North America, 25% were paid from companies in Europe, and 23% of these transaction fees were paid from companies in the Asia-Pacific region. Transaction fees vary by investment based upon a number of factors, the most significant of which are transaction size, amount of the fees as set forth in the governing agreements, the complexity of the transaction, and KKR's role in the transaction.

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### Fee Related Performance Revenues

The following table presents fee related performance revenues by business line:

|                                         | Year Ended        |                   |        |
|-----------------------------------------|-------------------|-------------------|--------|
|                                         | December 31, 2021 | December 31, 2020 | Change |
|                                         | (\$ in thousands) |                   |        |
| <b>Fee Related Performance Revenues</b> |                   |                   |        |
| Private Equity                          | \$ —              | \$ —              | \$ —   |

|                                               |                  |                  |                 |
|-----------------------------------------------|------------------|------------------|-----------------|
| Real Assets                                   | 9,068            | 4,797            | 4,271           |
| Credit and Liquid Strategies                  | 36,784           | 34,758           | 2,026           |
| <b>Total Fee Related Performance Revenues</b> | <b>\$ 45,852</b> | <b>\$ 39,555</b> | <b>\$ 6,297</b> |

Fee related performance revenues represent performance fees that are (i) to be received from our investment funds, vehicles, and accounts on a recurring basis and (ii) not dependent on a realization event involving investments held by the investment fund, vehicle or account. Fee related performance revenues were higher for the year ended December 31, 2021 compared to the prior period primarily due to a higher level of performance revenues earned from KREF and FSK.

#### Fee Related Compensation

The increase in fee related compensation for the year ended December 31, 2021 compared to the prior period is primarily due to a higher level of compensation recorded in connection with the higher level of revenues included within fee related earnings.

#### Other Operating Expenses

The increase in other operating expenses for the year ended December 31, 2021 compared to the prior period is primarily due to a higher level of (i) professional fees and other administrative costs in connection with the overall growth of the firm and (ii) placement fees related to capital raising activities.

#### Fee Related Earnings

The increase in fee related earnings for the year ended December 31, 2021 compared to the prior period is primarily due to a higher level of management fees in our Private Equity, Real Assets and Credit and Liquid Strategies business lines and transaction fees from our Capital Markets business line, partially offset by a higher level of fee related compensation and other operating expenses, as described above.

#### Realized Performance Income

The following table presents realized performance income by business line:

|                                          | Year Ended          |                     |                   |
|------------------------------------------|---------------------|---------------------|-------------------|
|                                          | December 31, 2021   | December 31, 2020   | Change            |
|                                          | (\$ in thousands)   |                     |                   |
| <b>Realized Performance Income</b>       |                     |                     |                   |
| Private Equity                           | \$ 1,678,753        | \$ 807,275          | \$ 871,478        |
| Real Assets                              | 97,312              | 208,590             | (111,278)         |
| Credit and Liquid Strategies             | 365,531             | 149,834             | 215,697           |
| <b>Total Realized Performance Income</b> | <b>\$ 2,141,596</b> | <b>\$ 1,165,699</b> | <b>\$ 975,897</b> |

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|                                                       | Year Ended          |                   |                   |
|-------------------------------------------------------|---------------------|-------------------|-------------------|
|                                                       | December 31, 2021   | December 31, 2020 | Change            |
|                                                       | (\$ in thousands)   |                   |                   |
| <b>Private Equity</b>                                 |                     |                   |                   |
| North America Fund XI                                 | \$ 433,708          | \$ 203,606        | \$ 230,102        |
| Asian Fund III                                        | 387,863             | 46,347            | 341,516           |
| 2006 Fund                                             | 219,737             | 181,899           | 37,838            |
| Americas Fund XII                                     | 207,559             | —                 | 207,559           |
| European Fund IV                                      | 186,476             | 139,948           | 46,528            |
| Co-Investment Vehicles and Other                      | 90,305              | 93,648            | (3,343)           |
| Core Investment Vehicles                              | 80,937              | 57,484            | 23,453            |
| Next Generation Technology Growth Fund                | 32,544              | 13,964            | 18,580            |
| European Fund III                                     | 353                 | —                 | 353               |
| Asian Fund II                                         | —                   | 60,647            | (60,647)          |
| Asian Fund                                            | —                   | 431               | (431)             |
| <b>Total Realized Carried Interest <sup>(1)</sup></b> | <b>1,639,482</b>    | <b>797,974</b>    | <b>841,508</b>    |
| Incentive Fees                                        | 39,271              | 9,301             | 29,970            |
| <b>Total Realized Performance Income</b>              | <b>\$ 1,678,753</b> | <b>\$ 807,275</b> | <b>\$ 871,478</b> |

|                                                | Year Ended        |                   |              |
|------------------------------------------------|-------------------|-------------------|--------------|
|                                                | December 31, 2021 | December 31, 2020 | Change       |
|                                                | (\$ in thousands) |                   |              |
| Real Assets                                    |                   |                   |              |
| Global Infrastructure Investors II             | \$ 72,862         | \$ 148,882        | \$ (76,020)  |
| Real Estate Partners Europe                    | 18,200            | —                 | 18,200       |
| Co-Investment Vehicles and Other               | 3,283             | 2                 | 3,281        |
| Global Infrastructure Investors                | 2,967             | 54,729            | (51,762)     |
| Real Estate Partners Americas                  | —                 | 4,977             | (4,977)      |
| Total Realized Carried Interest <sup>(1)</sup> | 97,312            | 208,590           | (111,278)    |
| Incentive Fees                                 | —                 | —                 | —            |
| Total Realized Performance Income              | \$ 97,312         | \$ 208,590        | \$ (111,278) |

|                                                | Year Ended        |                   |             |
|------------------------------------------------|-------------------|-------------------|-------------|
|                                                | December 31, 2021 | December 31, 2020 | Change      |
|                                                | (\$ in thousands) |                   |             |
| Credit and Liquid Strategies                   |                   |                   |             |
| Alternative Credit and Other Funds             | \$ 15,336         | \$ 25,740         | \$ (10,404) |
| Mezzanine Partners                             | —                 | 9,900             | (9,900)     |
| Total Realized Carried Interest <sup>(1)</sup> | 15,336            | 35,640            | (20,304)    |
| Incentive Fees                                 | 350,195           | 114,194           | 236,001     |
| Total Realized Performance Income              | \$ 365,531        | \$ 149,834        | \$ 215,697  |

(1) The above tables exclude any funds for which there was no realized carried interest during both of the periods presented.

Realized performance income includes (i) realized carried interest from our carry earning funds and (ii) incentive fees not included in Fee Related Performance Revenues.

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Realized carried interest in our Private Equity business line for the year ended December 31, 2021 consisted primarily of realized proceeds from the sales of our investments in The Bountiful Company, Ingersoll Rand Inc., Academy Sports & Outdoors Inc., Kokusai Electric Corporation, and Endeavor Group Holdings, Inc.

Realized carried interest in our Private Equity business line for the year ended December 31, 2020 consisted primarily of realized proceeds from the sales of our investments in Privilege Underwriters, Inc. (financial services sector), Fiserv, Inc., LGC Science Group Limited (health care sector), and Epicor Software Corporation.

Realized carried interest in our Real Assets business line for the year ended December 31, 2021 consisted primarily of realized proceeds from (i) the sale of our infrastructure investments, Calisen PLC and Telxius Telecom S.A.U. and (ii) dividends received from and sales of various investments in our European real estate strategy.

Realized carried interest in our Real Assets business line for the year ended December 31, 2020 consisted primarily of realized proceeds from the sales of our investments in Deutsche Glasfaser (Infrastructure: telecommunications infrastructure sector), ELL Group (Infrastructure: asset leasing sector), and X-Elio Energy, S.L. (power and utilities sector).

Realized carried interest in our Credit and Liquid Strategies Markets business line decreased for the year ended December 31, 2021 compared to the prior period as a result of a lower level of realization activity at certain alternative credit investment funds, from which we are eligible to take cash carry.

Incentive fees consist of performance fees earned from (i) our hedge fund partnerships, (ii) investment management agreements with KKR sponsored investment vehicles, and (iii) investment management agreements to provide KKR's investment strategies to funds managed by a third party asset management firm.

Incentive fees in our Private Equity business line increased for the year ended December 31, 2021 compared to the prior period primarily attributable to a higher level of investment appreciation at funds managed by a UK investment manager.

Incentive fees in our Credit and Liquid Strategies business line increased for the year ended December 31, 2021 compared to the prior period primarily due to a higher level of incentive fees earned from our hedge fund partnership, Marshall Wace.

#### **Realized Performance Income Compensation**

The increase in realized performance income compensation for the year ended December 31, 2021 compared to the prior period was primarily due to a higher level of compensation recorded in connection with the higher level of realized performance income.

#### **Realized Investment Income**

The following table presents realized investment income from our Principal Activities business line for the years ended December 31, 2021 and 2020:

|                                         | Year Ended          |                   |                   |
|-----------------------------------------|---------------------|-------------------|-------------------|
|                                         | December 31, 2021   | December 31, 2020 | Change            |
|                                         | (\$ in thousands)   |                   |                   |
| <b>Realized Investment Income</b>       |                     |                   |                   |
| Net Realized Gains (Losses)             | \$ 1,199,414        | \$ 284,521        | \$ 914,893        |
| Interest Income and Dividends           | 413,830             | 360,138           | 53,692            |
| <b>Total Realized Investment Income</b> | <b>\$ 1,613,244</b> | <b>\$ 644,659</b> | <b>\$ 968,585</b> |

The increase in realized investment income was primarily due to a higher level of net realized gains and, to a lesser extent, a higher level of interest income and dividends. The amount of realized investment income depends on the transaction activity of our funds and our subsidiaries, which can vary from period to period.

For the year ended December 31, 2021, net realized gains were comprised of realized gains primarily from the sale of our investments in FanDuel Inc., Mr. Cooper Group Inc., Fiserv, Inc., The Bountiful Company, and BridgeBio Pharma Inc. Partially offsetting these realized gains were realized losses, the most significant of which were realized losses on certain hedging instruments.

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For the year ended December 31, 2020, net realized gains were comprised of realized gains primarily from the sale of our investments in The Hut Group Limited, Deutsche Glasfaser, Ivalua SAS, Fiserv, Inc., and BridgeBio Pharma, Inc. Partially offsetting these realized gains were realized losses, the most significant of which were realized losses on our investment in LCI Helicopters Limited, Yorktown Center (real estate), and various alternative credit strategy investments.

For the year ended December 31, 2021, interest income and dividends were comprised of (i) \$261.3 million of dividend income primarily from our real estate investments, including our investment in KREF, as well as our investments in Viridor Limited, Kokusai Electric Corporation, and Arnott's Biscuits Limited and (ii) \$152.5 million of interest income primarily from our investments in CLOs and, to a lesser extent, our other credit investments.

For the year ended December 31, 2020, interest income and dividends were comprised of (i) \$225.4 million of dividend income from our investments in Fiserv, Inc., Epicor Software Corporation, and our real assets investments, including our investment in KREF and (ii) \$134.7 million of interest income from our investments in CLOs, other credit investments and, to a lesser extent, our cash balances. See "—Analysis of Non-GAAP Performance Measures—Non-GAAP Balance Sheet Measures."

For the year ended December 31, 2021, total fees attributable to KKR Capstone were \$91.4 million and total expenses attributable to KKR Capstone were \$94.6 million. For KKR Capstone-related adjustments in reconciling Asset Management segment revenues to GAAP revenues see "—Analysis of Non-GAAP Performance Measures—Reconciliations to GAAP Measures".

## Realized Investment Income Compensation

The increase in realized investment income compensation for the year ended December 31, 2021 compared to the prior period is primarily due to a higher level of compensation recorded in connection with the higher level of realized investment income.

## Other Operating and Capital Metrics

The following table presents certain key operating and capital metrics as of December 31, 2021 and December 31, 2020:

|                                           | As of             |                   |            |
|-------------------------------------------|-------------------|-------------------|------------|
|                                           | December 31, 2021 | December 31, 2020 | Change     |
|                                           | (\$ in millions)  |                   |            |
| <b>Assets Under Management</b>            | \$ 470,555        | \$ 251,679        | \$ 218,876 |
| <b>Fee Paying Assets Under Management</b> | \$ 357,389        | \$ 186,217        | \$ 171,172 |
| <b>Uncalled Commitments</b>               | \$ 111,822        | \$ 66,960         | \$ 44,862  |

The following table presents one of our key capital metrics for the year ended December 31, 2021 and 2020:

|                         | Year Ended        |                   |           |
|-------------------------|-------------------|-------------------|-----------|
|                         | December 31, 2021 | December 31, 2020 | Change    |
|                         | (\$ in millions)  |                   |           |
| <b>Capital Invested</b> | \$ 73,318         | \$ 29,517         | \$ 43,801 |

## Assets Under Management

### Private Equity

The following table reflects the changes in the AUM of our Private Equity business line from December 31, 2020 to December 31, 2021:

|                         | (\$ in millions) |
|-------------------------|------------------|
| December 31, 2020       | \$ 113,477       |
| New Capital Raised      | 44,478           |
| Distributions and Other | (17,524)         |
| Change in Value         | 33,314           |
| December 31, 2021       | \$ 173,745       |

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AUM of our Private Equity business line was \$173.7 billion at December 31, 2021, an increase of \$60.2 billion, compared to \$113.5 billion at December 31, 2020.

The increase was primarily attributable to (i) new capital raised from North America Fund XIII, our core investment strategy and European Fund VI and (ii) an increase in investment value from Americas Fund XII, Asian Fund III, and our core investment strategy. Partially offsetting these increases were distributions to fund investors, primarily as a result of realized proceeds, most notably from Americas Fund XII, North America Fund XI, and Asian Fund III.

For the year ended December 31, 2021, the value of our traditional private equity investment portfolio increased by 46%. This was comprised of a 71% increase in share prices of various publicly held investments and a 37% increase in value of our privately held investments. For the year ended December 31, 2021, the value of our growth equity and core equity investment portfolios increased 45% and 42%, respectively.

The most significant increases in the value of our publicly held investments across our Private Equity business line were increases in AppLovin Corporation, Max Healthcare Institute Limited, and J.B. Chemicals and Pharmaceuticals Limited (NSE: JBCEP). These increases were partially offset by decreases in share prices of certain other publicly held investments, the most significant of which were BridgeBio Pharma, Inc., PHC Holdings Corporation (TYO: 6523), and Fiserv, Inc. The prices of publicly held or publicly indexed companies may experience volatile changes following the reporting period. See "—Business Environment" for more information about factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

The most significant increases in the value of our privately held investments across our Private Equity business line were increases in Internet Brands, Inc., Kokusai Electric Corporation, and PetVet Care Centers, LLC. These increases in value on our privately held investments were partially offset by decreases in value of certain other privately held investments, the most significant of which were Magneti Marelli CK Holdings, Envision Healthcare Corporation (health care sector), and Upfield (consumer products). The increased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) individual company performance, (ii) an increase in the value of market comparables, and (iii) with respect to Kokusai Electric Corporation, an increase in valuation reflecting an agreement to sell a minority stake in the company. The decreased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) an unfavorable business outlook and (ii) a decrease in the value of market comparables, both influenced by the impact of COVID-19 on the economic outlook and overall market environment. See "—Business Environment" for more information about factors, that may impact our business, financial performance, operating results and valuations.

## Real Assets

The following table reflects the changes in the AUM of our Real Assets business line from December 31, 2020 to December 31, 2021:

|                                       | (\$ in millions) |
|---------------------------------------|------------------|
| December 31, 2020                     | \$ 35,212        |
| New Capital Raised                    | 39,380           |
| Acquisitions and Other <sup>(1)</sup> | 12,012           |
| Distributions and Other               | (6,364)          |
| Change in Value                       | 3,063            |
| December 31, 2021                     | \$ 83,303        |

<sup>(1)</sup> Reflects the AUM of Global Atlantic at February 1, 2021.

AUM of our Real Assets business line was \$83.3 billion at December 31, 2021, an increase of \$48.1 billion, compared to \$35.2 billion at December 31, 2020.

The increase was primarily attributable to (i) new capital raised from Global Infrastructure Investors IV, Global Atlantic and Diversified Core Infrastructure Fund and (ii) assets we now manage under our investment agreements with Global Atlantic's insurance companies. Partially offsetting these increases were payments to Global Atlantic policyholders and distributions to fund investors as a result of realized proceeds, most notably from Global Infrastructure Investors II and Real Estate Partners Americas II.

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For the year ended December 31, 2021, the value of our opportunistic real estate equity investment portfolio increased by 27%, and the value of our infrastructure investment portfolio increased 12%, and the value of our energy investment portfolio decreased by 15%.

The most significant increases in the value of our privately held investments were KRE AIP LLC (real estate), Telxius Telecom, S.A.U., Hivory SAS (Infrastructure: telecommunications infrastructure sector), and Viridor Limited. These increases in value were partially offset by decreases in the value of certain other privately held investments.



the most significant of which were Colonial Enterprises, Inc. and River Plaza (real estate). The increased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to individual company performance. The decreased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to (i) a decrease in the value of market comparables and (ii) an unfavorable business outlook, both influenced by economic outlook and market environment. See “—Business Environment” for more information about factors, that may impact our business, financial performance, operating results and valuations.

The most significant decrease in share prices of our publicly held investments was a decrease in Crescent Energy. See “—Business Environment” for more information about factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

#### Credit and Liquid Strategies

The following table reflects the changes in the AUM of our Credit and Liquid Strategies business line from December 31, 2020 to December 31, 2021:

|                                       | (\$ in millions) |
|---------------------------------------|------------------|
| December 31, 2020                     | \$ 102,990       |
| New Capital Raised                    | 36,706           |
| Acquisitions and Other <sup>(1)</sup> | 85,491           |
| Distributions and Other               | (11,271)         |
| Redemptions                           | (8,196)          |
| Change in Value                       | 7,788            |
| December 31, 2021                     | \$ 213,507       |

(1) Reflects the AUM of Global Atlantic at February 1, 2021.

AUM of our Credit and Liquid Strategies business line totaled \$213.5 billion at December 31, 2021, an increase of \$110.5 billion compared to AUM of \$103.0 billion at December 31, 2020.

The increase was primarily attributable to (i) assets we now manage under our investment management agreements with Global Atlantic's insurance companies, (ii) new capital raised from Global Atlantic since February 1, 2021, CLO issuances, and our hedge fund partnerships, and (iii) to a lesser extent, an increase in investment value across our leveraged and alternative credit portfolios and at our hedge fund partnerships. Partially offsetting these increases were (i) payments made to Global Atlantic to satisfy its obligations to policyholders, (ii) redemptions at our hedge fund partnerships and leveraged credit separately managed accounts and (iii) distributions to fund investors as a result of realized proceeds at certain leveraged and alternative credit funds.

See also “—Business Environment” for more information about the factors that may impact our business, financial performance, operating results and valuations.

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#### Fee Paying Assets Under Management

##### Private Equity

The following table reflects the changes in the FPAUM of our Private Equity business line from December 31, 2020 to December 31, 2021:

|                                          | (\$ in millions) |
|------------------------------------------|------------------|
| December 31, 2020                        | \$ 68,506        |
| New Capital Raised                       | 29,649           |
| Distributions and Other                  | (7,428)          |
| Net Changes in Fee Base of Certain Funds | (2,569)          |
| Change in Value                          | (268)            |
| December 31, 2021                        | \$ 87,890        |

FPAUM of our Private Equity business line was \$87.9 billion at December 31, 2021, an increase of \$19.4 billion, compared to \$68.5 billion at December 31, 2020.

The increase was primarily attributable to new capital raised from North America Fund XIII, Health Care Strategic Growth Fund II, and our core investment strategy. Partially offsetting this increase were (i) distributions to fund investors, primarily as a result of realized proceeds, most notably from 2006 Fund, North America Fund XI, and Americas Fund XII and (ii) a change in fee base for Americas Fund XII and Health Care Growth Fund as a result of these funds entering its post-investment period, during which we earn fees on invested capital rather than committed capital.

Uncalled capital commitments from private equity and multi-strategy investment funds from which KKR is currently not earning management fees amounted to approximately \$19.6 billion at December 31, 2021, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.0%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

## Real Assets

The following table reflects the changes in the FPAUM of our Real Assets business line from December 31, 2020 to December 31, 2021:

|                                          | (\$ in millions) |
|------------------------------------------|------------------|
| December 31, 2020                        | \$ 25,690        |
| New Capital Raised                       | 35,615           |
| Acquisitions and Other <sup>(1)</sup>    | 12,012           |
| Distributions and Other                  | (4,264)          |
| Net Changes in Fee Base of Certain Funds | (2,829)          |
| Change in Value                          | 741              |
| December 31, 2021                        | \$ 66,965        |

(1) Reflects the FPAUM of Global Atlantic at February 1, 2021.

FPAUM of our Real Assets business line was \$67.0 billion at December 31, 2021, an increase of \$41.3 billion, compared to \$25.7 billion at December 31, 2020.

The increase was primarily attributable to (i) new capital raised by Global Infrastructure Investors IV, Global Atlantic, Real Estate Partners Americas III and Diversified Core Infrastructure Fund and (ii) assets we now manage under our investment agreements with Global Atlantic's insurance companies. Partially offsetting these increases were (i) payments to Global Atlantic policyholders and distributions to fund investors as a result of realized proceeds, most notably from Global Infrastructure Investors II and Real Estate Partners Americas II and (ii) a change in fee base for Global Infrastructure Investors III as a result of entering its post-investment period, during which we earn fees on invested capital rather than committed capital.

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Uncalled capital commitments from real assets investment funds from which KKR is currently not earning management fees amounted to approximately \$11.7 billion at December 31, 2021, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.1%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

## Credit and Liquid Strategies

The following table reflects the changes in the FPAUM of our Credit and Liquid Strategies business line from December 31, 2020 to December 31, 2021:

|                                       | (\$ in millions) |
|---------------------------------------|------------------|
| December 31, 2020                     | \$ 92,021        |
| New Capital Raised                    | 38,644           |
| Acquisitions and Other <sup>(1)</sup> | 85,491           |
| Distributions and Other               | (12,989)         |
| Redemptions                           | (6,590)          |
| Change in Value                       | 5,957            |
| December 31, 2021                     | \$ 202,534       |

(1) Reflects the FPAUM of Global Atlantic at February 1, 2021.

FPAUM of our Credit and Liquid Strategies business line was \$202.5 billion at December 31, 2021, an increase of \$110.5 billion compared to \$92.0 billion at December 31, 2020.

The increase was primarily attributable to (i) assets we now manage under our investment management agreements with Global Atlantic's insurance companies, (ii) new capital raised from Global Atlantic, CLO issuances, and our alternative credit funds and (iii) to a lesser extent, an increase in investment value at our hedge fund partnerships and from leveraged credit investments we manage under our investment management agreements with Global Atlantic's insurance companies. Partially offsetting these increases were (i) payments made to Global Atlantic policyholders, (ii) redemptions at our hedge fund partnerships and leveraged credit separately managed accounts and (iii) distributions to fund investors as a result of realized proceeds at certain leveraged and alternative credit funds.

Uncalled capital commitments from investment funds in our Credit and Liquid Strategies business line from which KKR is currently not earning management fees amounted to approximately \$6.7 billion at December 31, 2021. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 0.9%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, which will occur over an extended period of time, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

See "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

## Uncalled Commitments

### Private Equity

As of December 31, 2021, our Private Equity business line had \$66.3 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$38.8 billion as of December 31, 2020. The increase was primarily attributable to new capital commitments from fund investors, which were partially offset by capital called from fund investors to make investments during the period.

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### Real Assets

As of December 31, 2021, our Real Assets business line had \$35.2 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$17.9 billion as of December 31, 2020. The increase was primarily attributable to new capital commitments from fund investors, which were partially offset by capital called from fund investors to make investments during the period.

### Credit and Liquid Strategies

As of December 31, 2021 and 2020, our Credit and Liquid Strategies business line had \$10.3 billion of remaining uncalled capital commitments that could be called for investments in new transactions. Uncalled commitments remained flat against the comparable period as new capital commitments from fund investors were offset by capital called from fund investors to make investments during the period.

## Capital Invested

### Private Equity

For the year ended December 31, 2021, \$17.6 billion of capital was invested by our Private Equity business line, as compared to \$14.5 billion for the year ended December 31, 2020. The increase was driven primarily by a \$1.5 billion increase in capital invested in our core investment strategy. During the year ended December 31, 2021, 60% of capital deployed in private equity was in transactions in North America, 21% was in Europe, and 19% was in the Asia-Pacific region. The number of large private equity investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

### Real Assets

For the year ended December 31, 2021, \$21.4 billion of capital was invested by our Real Assets business line, as compared to \$4.7 billion for the year ended December 31, 2020. The increase was driven primarily by a \$9.6 billion increase in capital invested in our real estate strategy and a \$6.8 billion increase in capital invested in our infrastructure strategy. During the year ended December 31, 2021, 71% of capital deployed in real assets was in transactions in North America, 23% was in Europe, and 6% was in the Asia-Pacific region. The number of large Real Asset investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

### Credit and Liquid Strategies

For the year ended December 31, 2021, \$34.4 billion of capital was invested by our Credit and Liquid Strategies business line, as compared to \$10.3 billion for the year ended December 31, 2020. The increase was primarily due to (i) capital deployed under our investment management agreements with Global Atlantic's insurance companies and (ii) a higher level of capital deployed across our direct lending and SIG strategies. During the year ended December 31, 2021, 90% of capital deployed was in transactions in North America, 9% was in Europe and 1% was in the Asia-Pacific region.

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## Analysis of Insurance Segment Operating Results

As discussed above, our Insurance segment consists solely of the operations of Global Atlantic, which was acquired on February 1, 2021. Accordingly, prior financial reporting periods have been excluded for Insurance segment results. For the year ended December 31, 2021, the results of our Insurance segment is from the acquisition date, February 1, 2021, through December 31, 2021.

The following tables set forth information regarding KKR's insurance segment operating results and certain key operating metrics as of and for the year ended December 31, 2021:

|                                                     | Year Ended        |
|-----------------------------------------------------|-------------------|
|                                                     | December 31, 2021 |
| (\$ in thousands)                                   |                   |
| Net Investment Income                               | \$ 3,329,570      |
| Net Cost of Insurance                               | (1,566,681)       |
| General, Administrative and Other                   | (500,410)         |
| Pre-tax Insurance Operating Earnings                | 1,262,479         |
| Income Taxes                                        | (199,095)         |
| Net Income Attributable to Noncontrolling Interests | (410,833)         |
| <b>Insurance Segment Operating Earnings</b>         | <b>\$ 652,551</b> |

#### Insurance segment operating earnings

Insurance segment operating earnings were primarily driven by net investment income and stable net cost of insurance.

#### Net investment income

Net investment income was primarily driven by (i) insurance segment investments and the effective book yield (as determined, in part, by the allocated fair value of the investment portfolio as of the closing date of the GA Acquisition), and (ii) variable investment income from net realized gains from the sale of investments not related to asset/liability matching strategies, including in particular the disposition of Origis USA, LLC. Average insurance segment investments were primarily driven by net inflows of assets from the individual markets and institutional channels. In addition to the impact of higher asset balances, net investment income was also impacted by income from bond call and loan prepayment activity.

#### Net cost of insurance

Net cost of insurance was driven primarily by stable liability performance across in-force and new business, including favorable adjustments to reserves and policy acquisition costs resulting from higher reserves and insurance intangibles established as part of the purchase accounting for the GA Acquisition and the impact of assumption review (as described in "—Consolidated Results of Operations (GAAP Basis) – Insurance (Unaudited)" above).

#### General, administrative and other expenses

General and administrative expenses were driven by (i) employee compensation and benefits related expenses, (ii) policy servicing fees, (iii) technology-related charges and (iv) consulting and professional fees.

#### Income taxes

Insurance segment income tax expense reflects the effective tax rate for the insurance segment on an operating basis, including the benefit of investment tax credits.

#### Net Income attributable to noncontrolling interests

Income attributable to noncontrolling interests represents the portion of the insurance segment adjusted operating earnings attributable to rollover and co-investors in Global Atlantic.

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#### Analysis of Non-GAAP Performance Measures

The following is a discussion of our Non-GAAP performance measures for the years ended December 31, 2021 and 2020:

|                                                     | Year Ended          |                     |                     |
|-----------------------------------------------------|---------------------|---------------------|---------------------|
|                                                     | December 31, 2021   | December 31, 2020   | Change              |
|                                                     | (\$ in thousands)   |                     |                     |
| Asset Management Segment Operating Earnings         | \$ 4,243,660        | \$ 2,286,984        | \$ 1,956,676        |
| Insurance Segment Operating Earnings                | 652,551             | —                   | 652,551             |
| <b>Distributable Operating Earnings</b>             | <b>4,896,211</b>    | <b>2,286,984</b>    | <b>2,609,227</b>    |
| Interest Expense                                    | (250,183)           | (211,037)           | (39,146)            |
| Preferred Dividends                                 | (19,201)            | (33,364)            | 14,163              |
| Net Income Attributable to Noncontrolling Interests | (23,664)            | (7,842)             | (15,822)            |
| Income Taxes Paid                                   | (687,572)           | (265,950)           | (421,622)           |
| <b>After-tax Distributable Earnings</b>             | <b>\$ 3,915,591</b> | <b>\$ 1,768,791</b> | <b>\$ 2,146,800</b> |

As discussed in the Analysis of Segment Operating Results, following the acquisition of Global Atlantic, we re-evaluated our operating structure and the manner by which we manage and assess the performance of our businesses and allocate our resources. In the first quarter of 2021, we changed the presentation of our non-GAAP performance measures principally to reflect how we evaluate our business following the Global Atlantic acquisition. We also believe that this revised presentation improves the comparability of our non-GAAP financial information with that provided by other publicly traded companies in the alternative asset management industry.

Distributable Operating Earnings

The increase in distributable operating earnings for the year ended December 31, 2021 compared to the prior period was primarily due to a higher level of Asset Management segment operating earnings and the addition of our Insurance segment operating earnings in connection with the Global Atlantic acquisition. For a discussion of the Asset Management and Insurance segment operating earnings, see "—Analysis of Asset Management Segment Operating Results and Analysis of Insurance Segment Operating Results."

Interest Expense

For the year ended December 31, 2021 and 2020, interest expense relates primarily to the interest expense from our senior notes outstanding for KKR and KFN.

The increase in interest expense for the year ended December 31, 2021 compared to the prior period was primarily attributable to new note issuances.

Preferred Dividends

The decrease in preferred dividends for the year ended December 31, 2021 compared to the prior period was attributable to the redemption of all of our Series A and B preferred stock outstanding during the year ended December 31, 2021.

Income Taxes Paid

The increase in income taxes paid for the year ended December 31, 2021 compared to the prior period was primarily due to a higher level of distributable operating earnings.

After-tax Distributable Earnings

The increase in after-tax distributable earnings for the year ended December 31, 2021 compared to the prior period was primarily due to a higher level of distributable operating earnings, partially offset by an increase in income taxes paid and interest expense, as discussed above.

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For the years ended December 31, 2021 and 2020, the amount of the tax benefit from equity-based compensation included in income taxes paid was \$123.1 million and \$59.1 million, respectively. The inclusion of the tax benefit from equity-based compensation in After-tax Distributable Earnings had the effect of increasing this measure by 3% for each of the years ended December 31, 2021 and 2020.

Non-GAAP Balance Sheet Measures

Book Value

The following table presents our calculation of book value as of December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022:

|     |                             | As of             |                   |                   |                   |
|-----|-----------------------------|-------------------|-------------------|-------------------|-------------------|
|     |                             | As of             |                   |                   |                   |
|     |                             | As of             |                   |                   |                   |
|     |                             | As of             |                   |                   |                   |
|     |                             | December 31, 2022 | December 31, 2021 | December 31, 2023 | December 31, 2022 |
|     |                             | (\$ in thousands) |                   | (\$ in thousands) |                   |
|     | Cash and Short-term         |                   |                   |                   |                   |
| (+) | (+) Investments             | \$ 3,256,515      | \$ 4,869,203      |                   |                   |
| (+) | (+) Investments             | 17,628,327        | 17,763,542        |                   |                   |
|     | Net Unrealized Carried      |                   |                   |                   |                   |
| (+) | (+) Interest <sup>(1)</sup> | 2,509,589         | 4,967,401         |                   |                   |
| (+) |                             |                   |                   |                   |                   |
| (+) |                             |                   |                   |                   |                   |
| (+) |                             |                   |                   |                   |                   |

|     |                                                                              |              |              |
|-----|------------------------------------------------------------------------------|--------------|--------------|
| (+) |                                                                              |              |              |
| (+) | Other Assets,<br>Net <sup>(2)</sup>                                          | 6,979,235    | 4,706,108    |
| (+) | Global Atlantic<br>Book Value                                                | 3,929,710    | 3,372,498    |
| (-) | Debt<br>Obligations -<br>KKR<br>(excluding<br>KFN and<br>Global<br>Atlantic) | 6,957,932    | 5,836,267    |
| (-) | Debt<br>Obligations -<br>KFN                                                 | 948,517      | 948,517      |
| (-) | Tax Liabilities,<br>Net                                                      | 1,648,600    | 2,697,317    |
| (-) | Other<br>Liabilities                                                         | 911,612      | 774,711      |
| (-) | Noncontrolling<br>Interests                                                  | 32,843       | 33,058       |
| (-) |                                                                              |              |              |
| (-) |                                                                              |              |              |
|     | Book Value                                                                   |              |              |
|     | Book Value                                                                   |              |              |
|     | Book Value                                                                   |              |              |
|     | Book Value                                                                   |              |              |
|     | Per Adjusted<br>Share                                                        |              |              |
|     | Book Value                                                                   |              |              |
|     | Per Adjusted<br>Share                                                        |              |              |
|     | Book Value                                                                   |              |              |
|     | Per Adjusted<br>Share                                                        |              |              |
|     | Adjusted<br>Shares                                                           |              |              |
|     | Book Value                                                                   | \$23,803,872 | \$25,388,882 |
|     | Book Value                                                                   |              |              |
|     | Per Adjusted<br>Share                                                        | \$ 26.73     | \$ 28.77     |
|     | Adjusted<br>Shares                                                           | 890,628,190  | 882,589,036  |

(1) The following table provides net unrealized ~~carried interest~~ performance income by business line:

|  | As of             |                   |
|--|-------------------|-------------------|
|  | December          |                   |
|  | December 31, 2022 | 31, 2021          |
|  | (\$ in thousands) |                   |
|  | As of             |                   |
|  | December          |                   |
|  | 31, 2023          | December 31, 2022 |
|  | (\$ in thousands) |                   |
|  |                   |                   |



|                                            |                                            |           |                  |                    |
|--------------------------------------------|--------------------------------------------|-----------|------------------|--------------------|
| Private Equity Business Line               | Private Equity Business Line               | \$        | 2,199,869        | \$4,697,134        |
| Real Assets Business Line                  | Real Assets Business Line                  |           | 212,974          | 159,709            |
| Credit and Liquid Strategies Business Line | Credit and Liquid Strategies Business Line |           | 96,746           | 110,558            |
| <b>Total</b>                               | <b>Total</b>                               | <b>\$</b> | <b>2,509,589</b> | <b>\$4,967,401</b> |

(2) Other Assets, Net include our (i) ownership interest in FS/KKR Advisor, (ii) minority ownership interests in hedge fund partnerships, and (iii) the net assets of KJRM.

Book value decreased 6% increased 13% from December 31, 2021 December 31, 2022. The decrease increase was primarily attributable to (i) a reduction the net appreciation in the value of our investment portfolio, (ii) an increase in net unrealized carried interest, due to the reversal of previously recognized carried interest from our carried interest eligible investment funds, most notably from Americas Fund XII, Asian Fund II, III, and Asian Fund Global Infrastructure Investors III, (ii) a reduction in the value of our asset management segment investments of 5%, and (iii) repurchases of our common stock, and (iv) payment of dividends during the period. Partially offsetting these decreases was the positive impact of our after-tax distributable earnings recognized and a decrease in the amount period. Partially offsetting these increases were the payment of deferred tax liabilities dividends and repurchases of our common stock during the period. The value of our asset management segment investments increased 12% in the period. For a further discussion, see "—Consolidated Results of Operations (GAAP Basis) - Asset Management—Investment Income (Loss) - Asset Management—Unrealized Gains and Losses from Investment Activities." For a discussion of the changes in our investment portfolio, see "—Analysis of Asset Management Segment Operating Results—Assets Under Management." For a discussion of factors that impacted KKR's after-tax distributable earnings, see "—Analysis of Non-GAAP Performance Measures—After-tax Distributable Earnings" and for more information about the factors that may impact our business, financial performance, operating results and valuations, see "Risk Factors" "—Business Environment."

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The following table presents the holdings of our investments in the asset management segment by asset class as of December 31, 2022 December 31, 2023. To the extent investments are realized at values below their cost in future periods, after-tax distributable earnings would be adversely affected by the amount of such loss, if any, during the period in which the realization event occurs.

| As of December 31, 2022    |                            |              |              |                                                 |                            |             |             |             |                                                 |
|----------------------------|----------------------------|--------------|--------------|-------------------------------------------------|----------------------------|-------------|-------------|-------------|-------------------------------------------------|
| (\$ in thousands)          |                            |              |              |                                                 |                            |             |             |             |                                                 |
| As of December 31, 2023    |                            |              |              |                                                 |                            |             |             |             |                                                 |
| (\$ in thousands)          |                            |              |              |                                                 |                            |             |             |             |                                                 |
|                            |                            |              |              | Fair Value as a Percentage of Total Investments |                            |             |             |             | Fair Value as a Percentage of Total Investments |
| Investments (1)            | Investments (1)            | Cost         | Fair Value   | Investments (1)                                 | Investments                | Cost        | Fair Value  | Investments | Investments                                     |
| Core Private Equity        |                            |              |              |                                                 |                            |             |             |             |                                                 |
| Core Private Equity        |                            |              |              |                                                 |                            |             |             |             |                                                 |
| Core Private Equity        |                            |              |              |                                                 |                            | \$2,864,489 | \$6,668,834 | 36.2        | %                                               |
| Traditional Private Equity | Traditional Private Equity | \$ 1,730,298 | \$ 3,078,987 | 17.5 %                                          | Traditional Private Equity | 1,315,063   | 2,844,147   | 15.5        | 15.5 %                                          |
| Core Private Equity        |                            | 2,701,596    | 5,707,478    | 32.4 %                                          |                            |             |             |             |                                                 |
| Growth Equity              | Growth Equity              | 328,514      | 822,250      | 4.7 %                                           | Growth Equity              | 410,440     | 1,278,110   | 6.9         | 6.9 %                                           |

|                      |                      |              |              |         |                      |              |            |              |       |         |
|----------------------|----------------------|--------------|--------------|---------|----------------------|--------------|------------|--------------|-------|---------|
| Private Equity Total | Private Equity Total | 4,760,408    | 9,608,715    | 54.6 %  | Private Equity Total | 4,589,992    | 10,791,091 | 10,791,091   | 58.6  | 58.6 %  |
| Energy               |                      | 862,651      | 929,269      | 5.3 %   |                      |              |            |              |       |         |
| Real Estate          |                      |              |              |         |                      |              |            |              |       |         |
| Real Estate          |                      |              |              |         |                      |              |            |              |       |         |
| Real Estate          | Real Estate          | 1,887,520    | 2,032,209    | 11.5 %  |                      | 1,816,614    | 1,798,888  | 1,798,888    | 9.8   | 9.8 %   |
| Infrastructure       | Infrastructure       | 1,066,157    | 1,232,412    | 7.0 %   | Infrastructure       | 958,432      | 1,170,925  | 1,170,925    | 6.4   | 6.4 %   |
| Energy               |                      |              |              |         | Energy               | 831,215      |            | 891,397      |       | 4.8 %   |
| Real Assets Total    | Real Assets Total    | 3,816,328    | 4,193,890    | 23.8 %  | Real Assets Total    | 3,606,261    | 3,861,210  | 3,861,210    | 21.0  | 21.0 %  |
| Leveraged Credit     |                      |              |              |         |                      |              |            |              |       |         |
| Leveraged Credit     |                      |              |              |         |                      |              |            |              |       |         |
| Leveraged Credit     | Leveraged Credit     | 1,267,501    | 1,016,274    | 5.8 %   |                      | 1,346,725    | 1,264,761  | 1,264,761    | 6.9   | 6.9 %   |
| Alternative Credit   | Alternative Credit   | 855,941      | 891,474      | 5.1 %   | Alternative Credit   | 876,495      | 980,942    | 980,942      | 5.3   | 5.3 %   |
| Credit Total         | Credit Total         | 2,123,442    | 1,907,748    | 10.9 %  | Credit Total         | 2,223,220    | 2,245,703  | 2,245,703    | 12.2  | 12.2 %  |
| Other                | Other                | 2,279,705    | 1,917,974    | 10.7 %  |                      |              |            |              |       |         |
| Other                |                      |              |              |         |                      |              |            |              |       |         |
| Other                |                      |              |              |         |                      | 1,640,134    |            | 1,507,291    |       | 8.2 %   |
| Total Investments    |                      |              |              |         |                      |              |            |              |       |         |
| Total Investments    |                      |              |              |         |                      |              |            |              |       |         |
| Total Investments    | Total Investments    | \$12,979,883 | \$17,628,327 | 100.0 % | Total Investments    | \$12,059,607 | \$         | \$18,405,295 | 100.0 | 100.0 % |

(1) Investments is a term used solely for purposes of financial presentation of a portion of KKR's balance sheet and includes majority ownership of subsidiaries that operate KKR's asset management and insurance businesses, including the general partner interests of KKR's investment funds. Investments presented are principally the assets measured at fair value that are held by KKR's asset management segment, which, among other things, does not include the underlying investments held by Global Atlantic and Marshall Wace.

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|                          |                          |            |             |
|--------------------------|--------------------------|------------|-------------|
| As of December 31, 2023  |                          |            |             |
| As of December 31, 2022  |                          |            |             |
| (\$ in thousands)        |                          |            |             |
| As of December 31, 2023  |                          |            |             |
| As of December 31, 2023  |                          |            |             |
| (\$ in thousands)        |                          |            |             |
| (\$ in thousands)        |                          |            |             |
| Top 20 Investments: (1)  | Top 20 Investments: (1)  | Cost       | Fair Value  |
| USI, Inc.                | USI, Inc.                | \$ 531,425 | \$1,300,370 |
| USI, Inc.                |                          |            |             |
| USI, Inc.                |                          |            |             |
| PetVet Care Centers, LLC |                          |            |             |
| PetVet Care Centers, LLC |                          |            |             |
| PetVet Care Centers, LLC | PetVet Care Centers, LLC | 243,211    | 1,143,092   |

|                                       |                           |         |         |
|---------------------------------------|---------------------------|---------|---------|
| Heartland Dental, LLC                 | Heartland Dental, LLC     | 320,656 | 801,640 |
| Exact Group B.V.                      |                           | 213,362 | 560,630 |
| Heartland Dental, LLC                 |                           |         |         |
| Heartland Dental, LLC                 |                           |         |         |
| Exact Holding B.V.                    |                           |         |         |
| Exact Holding B.V.                    |                           |         |         |
| Exact Holding B.V.                    |                           |         |         |
| Arnott's Biscuits Limited             | Arnott's Biscuits Limited | 250,841 | 470,916 |
| Arnott's Biscuits Limited             |                           |         |         |
| Arnott's Biscuits Limited             |                           |         |         |
| BridgeBio Pharma, Inc. (NASDAQ: BBIO) |                           |         |         |
| BridgeBio Pharma, Inc. (NASDAQ: BBIO) |                           |         |         |
| BridgeBio Pharma, Inc. (NASDAQ: BBIO) |                           |         |         |
| 1-800 Contacts Inc.                   | 1-800 Contacts Inc.       | 300,178 | 405,153 |
| 1-800 Contacts Inc.                   |                           |         |         |
| 1-800 Contacts Inc.                   |                           |         |         |
| Barracuda Networks, Inc.              |                           |         |         |
| Barracuda Networks, Inc.              |                           |         |         |
| Barracuda Networks, Inc.              |                           |         |         |
| Roompot B.V.                          |                           |         |         |
| Roompot B.V.                          |                           |         |         |
| Roompot B.V.                          |                           |         |         |
| ERM Worldwide Group Limited           |                           |         |         |
| ERM Worldwide Group Limited           |                           |         |         |
| ERM Worldwide Group Limited           |                           |         |         |
| Crescent Energy Company (NYSE: CRGY)  |                           |         |         |
| Crescent Energy Company (NYSE: CRGY)  |                           |         |         |
| Crescent Energy Company (NYSE: CRGY)  |                           |         |         |
| Internet Brands, Inc.                 | Internet Brands, Inc.     | 340,312 | 372,628 |
| Barracuda Networks, Inc.              |                           | 343,320 | 343,320 |
| ERM Worldwide Group Limited           |                           | 228,710 | 343,035 |
| Internet Brands, Inc.                 |                           |         |         |
| Internet Brands, Inc.                 |                           |         |         |
| APRIL Group                           |                           |         |         |
| APRIL Group                           |                           |         |         |
| APRIL Group                           |                           |         |         |
| IVIRMA Global SL                      |                           |         |         |
| IVIRMA Global SL                      |                           |         |         |
| IVIRMA Global SL                      |                           |         |         |
| Teaching Strategies, LLC              | Teaching Strategies, LLC  | 307,162 | 307,162 |
| Crescent Energy Company (NYSE: CRGY)  |                           | 533,543 | 304,117 |

|                                      |                                 |                    |                    |
|--------------------------------------|---------------------------------|--------------------|--------------------|
| Resolution Life Group Holdings, L.P. |                                 | 262,191            | 263,477            |
| Roompot B.V.                         |                                 | 193,578            | 255,950            |
| Teaching Strategies, LLC             |                                 |                    |                    |
| Teaching Strategies, LLC             |                                 |                    |                    |
| The Bay Clubs Company, LLC           |                                 |                    |                    |
| The Bay Clubs Company, LLC           |                                 |                    |                    |
| The Bay Clubs Company, LLC           |                                 |                    |                    |
| Shriram General Insurance Co.        | Shriram General Insurance Co.   | 245,470            | 251,414            |
| Atlantic Aviation FBO Inc.           |                                 | 170,274            | 186,672            |
| Shriram General Insurance Co.        |                                 |                    |                    |
| Shriram General Insurance Co.        |                                 |                    |                    |
| FiberCop S.p.A.                      |                                 |                    |                    |
| FiberCop S.p.A.                      |                                 |                    |                    |
| FiberCop S.p.A.                      |                                 |                    |                    |
| Viridor Limited                      | Viridor Limited                 | 132,023            | 169,709            |
| The Bay Clubs Company, LLC           |                                 | 160,127            | 160,127            |
| Viridor Limited                      |                                 |                    |                    |
| Viridor Limited                      |                                 |                    |                    |
| PortAventura                         | PortAventura                    | 155,803            | 154,784            |
| Pembina Gas Infrastructure Inc.      |                                 | 92,632             | 148,421            |
| FiberCop S.p.A.                      |                                 | 127,742            | 133,698            |
| PortAventura                         |                                 |                    |                    |
| PortAventura                         |                                 |                    |                    |
| <b>Total Top 20 Investments</b>      |                                 |                    |                    |
| <b>Total Top 20 Investments</b>      |                                 |                    |                    |
| <b>Total Top 20 Investments</b>      | <b>Total Top 20 Investments</b> | <b>\$5,152,560</b> | <b>\$8,076,315</b> |

- (1) This list of investments identifies the twenty largest companies or assets based on their fair values as of **December 31, 2022** **December 31, 2023**. It does not deduct fund or vehicle level debt, if any, incurred in connection with funding the investment. This list excludes (i) investments expected to be syndicated, (ii) investments expected to be transferred in connection with a new fundraising, (iii) investments in funds and other entities that are owned by one or more third parties and established for the purpose of making investments and (iv) the portion of any investment that may be held through collateralized loan obligations or levered multi-asset investment vehicles, if any. For additional information about the asset classes of the investments held on KKR's balance sheet see "—Our Business—Principal Activities" for the "Holdings by Asset Class" pie chart. The fair value figures include the co-investment and the limited partner and/or general partner interests held by KKR in the underlying investment, if applicable.

With respect to KKR's book value relating to its insurance business, KKR includes Global Atlantic's book value, which consists of KKR's pro rata equity interest in Global Atlantic on a GAAP basis, excluding (i) accumulated other comprehensive income (loss) and (ii) accumulated change in fair value of reinsurance embedded derivative balances and related assets, net of deferred acquisition costs and income tax. KKR believes this presentation of Global Atlantic's book value is comparable with the corresponding metric presented by other publicly traded companies in Global Atlantic's industry. As of **December 31, 2022** **December 31, 2023**, KKR's pro rata interest in Global Atlantic's book value was **\$3.9 billion** **\$5.0 billion**. For more information about the composition and credit quality of Global Atlantic's investments on a consolidated basis, please see "—Global Atlantic's Investment Portfolio" below.

#### Global Atlantic's Investment Portfolio

As of **December 31, 2022** **December 31, 2023**, **95%** **96%** and **85%** **88%** of Global Atlantic's available-for-sale ("AFS") fixed maturity securities were considered investment grade under ratings from the Securities Valuation Office of the NAIC and NRSROs, respectively. As of **December 31, 2021** **December 31, 2022**, **97%** **95%** and **87%** **85%** of Global Atlantic's AFS fixed maturity securities were considered investment grade under ratings from NAIC and NRSROs, respectively. Securities where a rating by an NRSRO was not available are considered investment grade if they have an NAIC designation of "1" or "2." **The three largest asset categories in Global Atlantic's AFS fixed-maturity security portfolio as of December 31, 2023 were Corporate securities, residential mortgage-backed securities ("RMBS") and commercial mortgage-backed securities ("CMBS"), comprising 28%, 6% and 5% of Global Atlantic's investment portfolio, respectively. Within these categories, 95%, 96% and 93% of Global Atlantic's Corporate, RMBS and CMBS securities, respectively, were investment grade according to NAIC ratings and 95%, 61% and 56% of its Corporate, RMBS and CMBS securities, respectively, were investment grade according to NRSRO ratings as of December 31, 2023. The three largest asset categories in Global Atlantic's AFS fixed-maturity security portfolio as of December 31, 2022 were Corporate, RMBS and CMBS securities, comprising 29%, 5% and 5% of Global Atlantic's investment portfolio, respectively. Within these categories, 94%, 95% and 95% of Global Atlantic's Corporate, RMBS and CMBS securities, respectively, were investment grade according to NAIC ratings and 94%, 45% and 53% of its Corporate, RMBS and CMBS securities, respectively, were investment grade according to NRSRO ratings as of December 31, 2022. The three largest asset categories in Global Atlantic's AFS fixed-maturity security portfolio as of**

December 31, 2021 were Corporate, RMBS and CMBS securities, comprising 34%, 6% and 5% of Global Atlantic's investment portfolio, respectively. Within these categories, 95%, 96% and 99% of Global Atlantic's Corporate, RMBS and CMBS

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securities, respectively, were investment grade according to NAIC ratings and 95%, 38% and 62% of its Corporate, RMBS and CMBS securities, respectively, were investment grade according to NRSRO ratings as of December 31, 2021. NRSRO and NAIC ratings have different methodologies. Global Atlantic believes the NAIC ratings methodology, which considers the likelihood of recovery of amortized cost as opposed to the recovery of all contractual payments including the principal at par, as the more appropriate way to view the ratings quality of its AFS fixed maturity portfolio since a large portion of its holdings were purchased at a significant discount to par value. The portion of Global Atlantic's investment portfolio consisting of floating rate assets was 29%, 27% and 20%, 29% as of December 31, 2022, December 31, 2023 and 2021, December 31, 2022, respectively.

Within the funds withheld receivable at interest portfolio, 97% and 96% of the fixed maturity securities were investment grade by NAIC designation as of December 31, 2022 both December 31, 2023 and 2021, respectively, December 31, 2022.

Trading fixed maturity securities back funds withheld payable at interest where the investment performance is ceded to reinsurers under the terms of the respective reinsurance agreements.

### *Credit quality of AFS fixed maturity securities*

The Securities Valuation Office of the NAIC evaluates the AFS fixed maturity security investments of insurers for regulatory reporting and capital assessment purposes and assigns securities to one of six credit quality categories called "NAIC designations." Using an internally developed rating is permitted by the NAIC if no rating is available. These designations are generally similar to the credit quality designations of NRSROs for marketable fixed maturity securities, except for certain structured securities as described below. NAIC designations of "1," highest quality, and "2," high quality, include fixed maturity securities generally considered investment grade by NRSROs. NAIC designations "3" through "6" include fixed maturity securities generally considered below investment grade by NRSROs.

Consistent with the NAIC Process and Procedures Manual, an NRSRO rating was assigned based on the following criteria: (i) the equivalent S&P rating where the security is rated by one NRSRO; (ii) the equivalent S&P rating of the lowest NRSRO when the security is rated by two NRSROs; and (iii) the equivalent S&P rating of the second lowest NRSRO if the security is rated by three or more NRSROs. If the lowest two NRSROs' ratings are equal, then such rating will be the assigned rating. NRSROs' ratings available for the periods presented were S&P, Fitch, Moody's, DBRS, Inc. and Kroll Bond Rating Agency, Inc. If no rating is available from a rating agency, then an internally developed rating is used.

Substantially all of the AFS fixed maturity securities portfolio, 95%, 96% and 97%, 95% as of December 31, 2022, December 31, 2023 and December 31, 2021, December 31, 2022, respectively, were invested in investment grade assets with a NAIC rating of 1 or 2.

The portion of the AFS fixed maturity securities portfolio that was considered below investment grade by NAIC designation was 5%, 4% and 3%, 5% as of December 31, 2022, December 31, 2023 and 2021, December 31, 2022, respectively. Pursuant to Global Atlantic's investment guidelines, Global Atlantic actively monitors the percentage of its portfolio that is held in investments rated NAIC 3 or lower and must obtain an additional approval from Global Atlantic's management investment committee before making a significant investment in an asset rated NAIC 3 or lower.

### Corporate fixed maturity securities

Global Atlantic maintains a diversified portfolio of corporate fixed maturity securities across industries and issuers. As of December 31, 2022, December 31, 2023 and 2021, December 31, 2022, 58% and 59% and 60%, respectively, of the AFS fixed maturity securities portfolio was invested in corporate fixed maturity securities, respectively. As of December 31, 2022, December 31, 2023 and 2021, December 31, 2022, approximately 5%, 6% and 3%, respectively, 5% of the portfolio is denominated in foreign currency, respectively.

As of December 31, 2022, December 31, 2023 and 2021, December 31, 2022, 95% and 94% and 95% of the total fair value of corporate fixed maturity securities is rated NAIC investment grade, respectively, and 95% and 94% and 95% is rated NRSROs investment grade, respectively.

### Residential mortgage-backed securities

As of December 31, 2022, December 31, 2023 and 2021, December 31, 2022, 11% and 10% and 11% of the AFS fixed maturity securities portfolio was invested in RMBS, respectively. RMBS are securities constructed from pools of residential mortgages and backed by payments from those pools. Excluding limitations on access to lending and other extraordinary economic conditions, Global Atlantic would expect prepayments of principal on the underlying loans to accelerate with decreases in market interest rates and diminish with increases in market interest rates.

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The NAIC designations for RMBS, including prime, sub-prime, alt-A, and adjustable rate mortgages with variable payment options ("Option ARM"), are based upon a comparison of the bond's amortized cost to the NAIC's loss expectation for each security. Accordingly, an investment in the same security at a lower cost may result in a higher quality NAIC designation in recognition of the lower likelihood the investment would result in a realized loss. Prime residential mortgage lending includes loans to the most creditworthy borrowers with high quality credit profiles. Alt-A is a classification of mortgage loans where the risk profile of the borrower is between prime and sub-prime, sub-prime, which also includes certain non-qualified mortgages. Sub-prime mortgage lending is the origination of residential mortgage loans to borrowers with weak credit profiles.

As of **December 31, 2022** December 31, 2023 and **December 31, 2021** December 31, 2022, **90%** 89% and **93%** 90%, respectively, of RMBS securities that are below investment grade as rated by the NRSRO, carry an NAIC 1 ("highest quality") designation, designation, respectively.

As of December 31, 2023, Alt-A, Option ARM, Re-Performing and Sub-prime represent 45%, 21%, 10% and 10% of the total RMBS portfolio (\$7.9 billion), respectively. As of December 31, 2022, Alt-A, Option ARM, Re-Performing and Sub-prime represent 31%, 28%, 14% and 12% of the total RMBS portfolio (\$6.4 billion), respectively. As of December 31, 2021, Alt-A, Option ARM, Re-Performing and Sub-prime represent 33%, 30%, 14% and 12% of the total RMBS portfolio (\$7.7 billion), respectively.

#### Unrealized gains and losses for AFS fixed maturity securities

Global Atlantic's investments in AFS fixed maturity securities are reported at fair value with changes in fair value recorded in other comprehensive income as unrealized gains or losses, net of taxes and offsets. Unrealized gains and losses can be created by changes in interest rates or by changes in credit spreads.

As of **December 31, 2022** December 31, 2023 and **2021**, December 31, 2022, Global Atlantic had gross unrealized losses on below investment grade AFS fixed maturity securities of **\$917.6 million** \$750.3 million and **\$80.3 million** \$917.6 million based on NRSRO rating and **\$224.9 million** \$267.2 million and **\$13.5 million** \$224.9 million based on NAIC ratings, respectively. **Unrealized** As of December 31, 2023, unrealized losses were not recognized in net income on these debt securities **because there were no specific securities that, as of each such date, since Global Atlantic intended neither intends to sell or believed the securities nor does it was believe that it is more likely than not that it would will be required to sell these securities before recovery of their cost or amortized cost basis.**

#### Mortgage Credit quality of mortgage and other loan receivables - Credit quality indicators

Mortgage and other loan receivables consist of commercial and residential mortgage loans, **consumer loans** and other loan receivables. As of **December 31, 2022** both **December 31, 2023** and **2021**, December 31, 2022, **28%** and **23%**, respectively, of Global Atlantic's total investments consisted of mortgage and other loan receivables.

Global Atlantic invests in U.S. mortgage loans, comprised of first lien and mezzanine **real estate commercial mortgage loans and first lien residential mortgage loans, consumer loans, loans**. For Global Atlantic's commercial mortgage loan portfolio, the most prevalent property type is multi-family residential buildings, which represents over half of the portfolio as of both December 31, 2023 and **other loan receivables**, December 31, 2022. Office and retail properties represent approximately 23% and 28% of the portfolio as of December 31, 2023 and December 31, 2022, respectively.

Global Atlantic's commercial mortgage loans **may also be rated based on are assigned** NAIC designations, with designations "CM1" and "CM2" considered to be investment grade. As of **December 31, 2022** December 31, 2023 and **2021**, December 31, 2022, **89%** and **88%** and **96%** of the commercial mortgage loan portfolio **was were** rated investment grade based on NAIC designation, respectively. **100%** The payment status of over 98% and over 99% of the commercial mortgage loan portfolio is **in** current **status**.

**As as** of December 31, 2023 and December 31, 2022, **96%** of the residential mortgage loan portfolio is in current status, and approximately \$192.3 million is over 90 days past due (representing 2% of the total residential mortgage portfolio), respectively.

The loan-to-value ratio is expressed as a percentage of the current amount of the loan relative to the value of the underlying collateral. **Approximately** As of December 31, 2023 and December 31, 2022, approximately 88% and 84%, respectively, of the commercial mortgage loans **has have** a loan-to-value ratio of 70% or less and **for** December 31, 2023 and December 31, 2022, **2%** and **3%** **has have** loan-to-value ratio over 90%, respectively.

Changing economic conditions **and updated assumptions** affect Global Atlantic's **valuation assessment of the collectibility** of commercial mortgage loans. Changing vacancies and rents are incorporated into the **discounted cash flow** analysis that Global Atlantic performs **for monitored loans and may contribute to measure the establishment of (or increase or decrease in) a commercial mortgage loan valuation** allowance for **credit** losses. In addition, Global Atlantic continuously monitors its commercial mortgage loan portfolio to identify risk. Areas of emphasis are properties that have exposure to specific geographic events or have deteriorating credit.

As of December 31, 2023, the payment status of 96% of the residential mortgage loan portfolio is current, and approximately \$231.2 million is 90 days or more past due or in process of foreclosure (representing 2% of the total residential mortgage portfolio). As of December 31, 2022, the payment status of 96% of the residential mortgage loan portfolio was current and approximately \$192.3 million were 90 days or more past due or in process of foreclosure (representing 2% of the total residential mortgage portfolio).

The weighted average loan-to-value ratio for residential mortgage loans was **64%** 63% and **68%** 64% as of **December 31, 2022** December 31, 2023 and **2021**, December 31, 2022, respectively.

Global Atlantic's residential mortgage loan portfolio **is comprised mainly of primarily includes mortgage loans backed by single family rental properties, prime loans and re-performing loans that were purchased at a discount after they were modified and returned to performing status, as well as prime jumbo loans and mortgage loans backed by single family rental properties, status**. Global Atlantic has also extended financing to counterparties in the form of repurchase agreements secured by mortgage loans, including performing and non-performing mortgage loans.

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Global Atlantic's consumer loan portfolio is primarily comprised of home improvement loans, **residential solar panel** loans, student loans and auto loans. **As of** December 31, 2023, **97%** of the consumer loan portfolio is in current status and approximately \$34.8 million is 90 days or more past due or in process of foreclosure (representing 1% of the total consumer loan portfolio).



## Reconciliations to GAAP Measures

The following tables reconcile the most directly comparable financial measures calculated and presented in accordance with GAAP to KKR's non-GAAP financial measures for the years ended December 31, 2022, 2021, and 2020; measures:

### Revenues

|                                               |                                               | Year Ended        |                   |                   |                   |
|-----------------------------------------------|-----------------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                               |                                               |                   |                   |                   |                   |
|                                               |                                               | December 31, 2022 | December 31, 2021 | December 31, 2020 |                   |
|                                               |                                               | (\$ in thousands) |                   |                   | (\$ in thousands) |
| Total GAAP Revenues                           | Total GAAP Revenues                           | \$ 5,721,195      | \$ 16,236,148     | \$ 4,230,891      |                   |
| Impact of Consolidation and Other             | Impact of Consolidation and Other             | 841,711           | 808,174           | 461,244           |                   |
| Impact of Consolidation and Other             |                                               |                   |                   |                   |                   |
| Impact of Consolidation and Other             |                                               |                   |                   |                   |                   |
| Asset Management Adjustments:                 |                                               |                   |                   |                   |                   |
| Asset Management Adjustments:                 |                                               |                   |                   |                   |                   |
| Asset Management Adjustments:                 | Asset Management Adjustments:                 |                   |                   |                   |                   |
| Capital Allocation-Based Income (Loss) (GAAP) | Capital Allocation-Based Income (Loss) (GAAP) | 2,500,509         | (6,842,414)       | (2,224,100)       |                   |
| Capital Allocation-Based Income (Loss) (GAAP) |                                               |                   |                   |                   |                   |
| Capital Allocation-Based Income (Loss) (GAAP) |                                               |                   |                   |                   |                   |
| Realized Carried Interest                     |                                               |                   |                   |                   |                   |
| Realized Carried Interest                     |                                               |                   |                   |                   |                   |
| Realized Carried Interest                     | Realized Carried Interest                     | 1,993,860         | 1,752,130         | 1,042,204         |                   |
| Realized Investment Income                    | Realized Investment Income                    | 1,134,419         | 1,613,244         | 644,659           |                   |
| Realized Investment Income                    |                                               |                   |                   |                   |                   |
| Realized Investment Income                    |                                               |                   |                   |                   |                   |
| Capstone Fees                                 |                                               |                   |                   |                   |                   |
| Capstone Fees                                 |                                               |                   |                   |                   |                   |
| Capstone Fees                                 | Capstone Fees                                 | (86,665)          | (91,407)          | (81,452)          |                   |
| Expense Reimbursements                        | Expense Reimbursements                        | (102,927)         | (178,572)         | (149,522)         |                   |
| Expense Reimbursements                        |                                               |                   |                   |                   |                   |
| Expense Reimbursements                        |                                               |                   |                   |                   |                   |
| Insurance Adjustments:                        |                                               |                   |                   |                   |                   |
| Insurance Adjustments:                        |                                               |                   |                   |                   |                   |
| Insurance Adjustments:                        | Insurance Adjustments:                        |                   |                   |                   |                   |
| Net Premiums                                  | Net Premiums                                  | (1,182,461)       | (2,226,078)       | —                 |                   |
| Net Premiums                                  |                                               |                   |                   |                   |                   |
| Net Premiums                                  |                                               |                   |                   |                   |                   |
| Policy Fees                                   |                                               |                   |                   |                   |                   |
| Policy Fees                                   |                                               |                   |                   |                   |                   |
| Policy Fees                                   | Policy Fees                                   | (1,278,736)       | (1,147,913)       | —                 |                   |
| Other Income                                  | Other Income                                  | (139,124)         | (120,213)         | —                 |                   |
| Investment Gains and Losses                   |                                               | 472,053           | 544,357           | —                 |                   |
| Derivative Gains and Losses                   |                                               | 1,072,572         | (141,513)         | —                 |                   |
| Total Segment Revenues <sup>(1)</sup>         |                                               | \$ 10,946,406     | \$ 10,205,943     | \$ 3,923,924      |                   |
| Other Income                                  |                                               |                   |                   |                   |                   |
| Other Income                                  |                                               |                   |                   |                   |                   |

|                                                             |
|-------------------------------------------------------------|
| (Gains) Losses from Investments <sup>(1)</sup>              |
| (Gains) Losses from Investments <sup>(1)</sup>              |
| (Gains) Losses from Investments <sup>(1)</sup>              |
| Non-operating Changes in Policy Liabilities and Derivatives |
| Non-operating Changes in Policy Liabilities and Derivatives |
| Non-operating Changes in Policy Liabilities and Derivatives |
| <b>Total Segment Revenues <sup>(2)</sup></b>                |
| <b>Total Segment Revenues <sup>(2)</sup></b>                |
| <b>Total Segment Revenues <sup>(2)</sup></b>                |

(1) Includes (gains) losses on funds withheld receivables and payables embedded derivatives.

(2) Total Segment Revenues is comprised of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, (v) Realized Investment Income, and (vi) Net Investment Income.

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*Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders*

|                                                                                        | Year Ended            |                      |                     |
|----------------------------------------------------------------------------------------|-----------------------|----------------------|---------------------|
|                                                                                        | December 31, 2022     | December 31, 2021    | December 31, 2020   |
|                                                                                        | (\$ in thousands)     |                      |                     |
| <b>Net Income (Loss) Attributable to KKR &amp; Co. Inc. Common Stockholders (GAAP)</b> | <b>\$ (910,130)</b>   | <b>\$ 4,560,829</b>  | <b>\$ 1,945,954</b> |
| Preferred Stock Dividends                                                              | 69,000                | 105,647              | 56,555              |
| Net Income (Loss) Attributable to Noncontrolling Interests                             | (182,398)             | 7,628,703            | 3,115,089           |
| Income Tax Expense (Benefit)                                                           | (35,672)              | 1,353,270            | 609,097             |
| <b>Income (Loss) Before Tax (GAAP)</b>                                                 | <b>\$ (1,059,200)</b> | <b>\$ 13,648,449</b> | <b>\$ 5,726,695</b> |
| Impact of Consolidation and Other                                                      | (107,754)             | (5,189,459)          | (1,704,739)         |
| Equity-based Compensation - KKR Holdings <sup>(1)</sup>                                | 119,834               | 161,283              | 80,739              |
| Preferred Stock Dividends                                                              | —                     | (19,201)             | (33,364)            |
| Income Taxes Paid                                                                      | (738,841)             | (687,572)            | (265,950)           |
| <i>Asset Management Adjustments:</i>                                                   |                       |                      |                     |
| Net Unrealized (Gains) Losses                                                          | 2,002,082             | (2,590,280)          | (1,697,740)         |
| Unrealized Carried Interest                                                            | 4,231,359             | (4,043,135)          | (1,070,803)         |
| Unrealized Carried Interest Compensation (Carry Pool)                                  | (1,753,396)           | 1,751,912            | 467,485             |
| Strategic Corporate Transaction-Related Charges <sup>(2)</sup>                         | 94,629                | 25,153               | 20,073              |
| Equity-based Compensation                                                              | 210,756               | 183,100              | 236,199             |
| Equity-based Compensation - Performance based                                          | 238,929               | 78,230               | 10,196              |
| <i>Insurance Adjustments:</i> <sup>(3)</sup>                                           |                       |                      |                     |
| Net (Gains) Losses from Investments and Derivatives <sup>(3)</sup>                     | 192,743               | 658,975              | —                   |
| Strategic Corporate Transaction-Related Charges <sup>(3)</sup>                         | 24,746                | 25,711               | —                   |
| Equity-based and Other Compensation <sup>(3)</sup>                                     | 152,083               | 95,344               | —                   |
| Amortization of Acquired Intangibles <sup>(3)</sup>                                    | 17,647                | 16,176               | —                   |
| Income Taxes <sup>(3)</sup>                                                            | (171,744)             | (199,095)            | —                   |
| <b>After-tax Distributable Earnings</b>                                                | <b>\$ 3,453,873</b>   | <b>\$ 3,915,591</b>  | <b>\$ 1,768,791</b> |
| Interest Expense                                                                       | 315,189               | 250,183              | 211,037             |
| Preferred Stock Dividends                                                              | —                     | 19,201               | 33,364              |
| Net Income Attributable to Noncontrolling Interests                                    | 23,200                | 23,664               | 7,842               |
| Income Taxes Paid                                                                      | 738,841               | 687,572              | 265,950             |
| <b>Distributable Operating Earnings</b>                                                | <b>\$ 4,531,103</b>   | <b>\$ 4,896,211</b>  | <b>\$ 2,286,984</b> |
| Insurance Segment Operating Earnings                                                   | (545,204)             | (652,551)            | —                   |
| Realized Performance Income                                                            | (2,176,658)           | (2,141,596)          | (1,165,699)         |

|                                          |                     |                     |                     |
|------------------------------------------|---------------------|---------------------|---------------------|
| Realized Performance Income Compensation | 1,333,526           | 1,239,177           | 697,071             |
| Realized Investment Income               | (1,134,419)         | (1,613,244)         | (644,659)           |
| Realized Investment Income Compensation  | 159,003             | 241,994             | 106,830             |
| <b>Fee Related Earnings</b>              | <b>\$ 2,167,351</b> | <b>\$ 1,969,991</b> | <b>\$ 1,280,527</b> |
| Insurance Segment Operating Earnings     | 545,204             | 652,551             | —                   |
| Realized Performance Income              | 2,176,658           | 2,141,596           | 1,165,699           |
| Realized Performance Income Compensation | (1,333,526)         | (1,239,177)         | (697,071)           |
| Realized Investment Income               | 1,134,419           | 1,613,244           | 644,659             |
| Realized Investment Income Compensation  | (159,003)           | (241,994)           | (106,830)           |
| Depreciation and Amortization            | 33,809              | 25,940              | 18,626              |
| <b>Adjusted EBITDA</b>                   | <b>\$ 4,564,912</b> | <b>\$ 4,922,151</b> | <b>\$ 2,305,610</b> |

|                                                                            | Years Ended         |                     |                      |
|----------------------------------------------------------------------------|---------------------|---------------------|----------------------|
|                                                                            | December 31, 2023   | December 31, 2022   | December 31, 2021    |
|                                                                            | (\$ in thousands)   |                     |                      |
| Net Income (Loss) - KKR Common Stockholders (GAAP)                         | <b>\$ 3,680,514</b> | <b>\$ (590,664)</b> | <b>\$ 4,626,759</b>  |
| Preferred Stock Dividends                                                  | 51,747              | 69,000              | 105,647              |
| Net Income (Loss) Attributable to Noncontrolling Interests                 | 1,624,825           | 104,050             | 7,719,311            |
| Income Tax Expense (Benefit)                                               | 1,197,523           | 125,393             | 1,394,882            |
| <b>Income (Loss) Before Tax (GAAP)</b>                                     | <b>\$ 6,554,609</b> | <b>\$ (292,221)</b> | <b>\$ 13,846,599</b> |
| Impact of Consolidation and Other                                          | (1,569,591)         | (394,427)           | (5,064,946)          |
| Equity-based Compensation - KKR Holdings <sup>(1)</sup>                    | —                   | 119,834             | 161,283              |
| Preferred Stock Dividends                                                  | —                   | —                   | (19,201)             |
| Income Taxes on Operating Earnings                                         | (763,382)           | (859,964)           | (809,962)            |
| <i>Asset Management Adjustments:</i>                                       |                     |                     |                      |
| Unrealized (Gains) Losses                                                  | (1,534,934)         | 2,002,082           | (2,590,280)          |
| Unrealized Carried Interest                                                | (1,656,974)         | 4,231,359           | (4,043,135)          |
| Unrealized Carried Interest Compensation (Carry Pool)                      | 792,758             | (1,753,396)         | 1,751,912            |
| Strategic Corporate Related Charges <sup>(2)</sup>                         | 31,805              | 94,629              | 25,153               |
| Equity-based Compensation                                                  | 230,858             | 210,756             | 183,100              |
| Equity-based Compensation - Performance based                              | 271,958             | 238,929             | 78,230               |
| <i>Insurance Adjustments:</i> <sup>(3)</sup>                               |                     |                     |                      |
| (Gains) Losses from Investments <sup>(3)(4)</sup>                          | 363,956             | 379,647             | 352,819              |
| Non-operating Changes in Policy Liabilities and Derivatives <sup>(3)</sup> | 228,929             | (584,495)           | (39,858)             |
| Strategic Corporate Related Charges <sup>(3)</sup>                         | 7,347               | 15,215              | 15,808               |
| Equity-based and Other Compensation <sup>(3)</sup>                         | 71,579              | 93,508              | 58,622               |
| Amortization of Acquired Intangibles <sup>(3)</sup>                        | 11,175              | 10,852              | 9,946                |
| <b>After-tax Distributable Earnings</b>                                    | <b>\$ 3,040,093</b> | <b>\$ 3,512,308</b> | <b>\$ 3,916,090</b>  |
| Interest Expense                                                           | 357,084             | 315,189             | 250,183              |
| Preferred Stock Dividends                                                  | —                   | —                   | 19,201               |
| Net Income Attributable to Noncontrolling Interests                        | 25,950              | 23,200              | 23,664               |
| Income Taxes on Operating Earnings                                         | 763,382             | 859,964             | 809,962              |
| <b>Distributable Operating Earnings</b>                                    | <b>\$ 4,186,509</b> | <b>\$ 4,710,661</b> | <b>\$ 5,019,100</b>  |
| Insurance Segment Operating Earnings                                       | (816,637)           | (724,762)           | (775,440)            |
| Realized Performance Income                                                | (1,065,389)         | (2,176,658)         | (2,141,596)          |
| Realized Performance Income Compensation                                   | 666,440             | 1,333,526           | 1,239,177            |
| Realized Investment Income                                                 | (690,727)           | (1,134,419)         | (1,613,244)          |
| Realized Investment Income Compensation                                    | 103,590             | 159,003             | 241,994              |
| <b>Fee Related Earnings</b>                                                | <b>\$ 2,383,786</b> | <b>\$ 2,167,351</b> | <b>\$ 1,969,991</b>  |
| Insurance Segment Operating Earnings                                       | 816,637             | 724,762             | 775,440              |
| Realized Performance Income                                                | 1,065,389           | 2,176,658           | 2,141,596            |

|                                          |                     |                     |                     |
|------------------------------------------|---------------------|---------------------|---------------------|
| Realized Performance Income Compensation | (666,440)           | (1,333,526)         | (1,239,177)         |
| Realized Investment Income               | 690,727             | 1,134,419           | 1,613,244           |
| Realized Investment Income Compensation  | (103,590)           | (159,003)           | (241,994)           |
| Depreciation and Amortization            | 46,727              | 33,809              | 25,940              |
| <b>Adjusted EBITDA</b>                   | <b>\$ 4,233,236</b> | <b>\$ 4,744,470</b> | <b>\$ 5,045,040</b> |

- (1) Represents equity-based compensation expense in connection with the allocation of KKR Holdings Units, which were not dilutive to common stockholders of KKR & Co. Inc.
- (2) For the year ended December 31, 2022, strategic corporate transaction-related related charges include a \$40.7 million realized loss from foreign exchange derivatives that were entered into in connection with the acquisition of KJRM and that were settled upon closing, closing in the second quarter of 2022.
- (3) Amounts include represent the portion allocable to noncontrolling interests (~37%), KKR & Co. Inc.
- (4) Includes (gains) losses on funds withheld receivables and payables embedded derivatives.

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KKR & Co. Inc. Stockholders' Equity - Common Stock

|                                                                                     |  | As of             |                   |
|-------------------------------------------------------------------------------------|--|-------------------|-------------------|
|                                                                                     |  | December 31, 2022 | December 31, 2021 |
|                                                                                     |  | (\$ in thousands) |                   |
| KKR & Co. Inc. Stockholders' Equity - Series I and II Preferred Stock, Common Stock |  | \$16,613,028      | \$16,466,372      |

|                                                                     |                                                                     | As of               |                     |
|---------------------------------------------------------------------|---------------------------------------------------------------------|---------------------|---------------------|
|                                                                     |                                                                     | December 31, 2023   | December 31, 2022   |
|                                                                     |                                                                     | (\$ in thousands)   |                     |
| KKR & Co. Inc. Stockholders' Equity - Common Stock                  |                                                                     |                     |                     |
| Series C Mandatory Convertible Preferred Stock                      | Series C Mandatory Convertible Preferred Stock                      | 1,115,792           | 1,115,792           |
| Impact of Consolidation and Other                                   | Impact of Consolidation and Other                                   | 399,318             | (1,048,569)         |
| KKR Holdings and Exchangeable Securities                            |                                                                     | 126,519             | 8,595,510           |
| Exchangeable Securities                                             |                                                                     |                     |                     |
| Accumulated Other Comprehensive Income (AOCI) and Other (Insurance) | Accumulated Other Comprehensive Income (AOCI) and Other (Insurance) | 5,549,215           | 259,777             |
| <b>Book Value</b>                                                   | <b>Book Value</b>                                                   | <b>\$23,803,872</b> | <b>\$25,388,882</b> |

The following table provides a reconciliation of KKR's GAAP Shares of Common Stock Outstanding to Adjusted Shares:

|  |  | As of             |                   |
|--|--|-------------------|-------------------|
|  |  | December 31, 2022 | December 31, 2021 |
|  |  | December 31, 2023 |                   |
|  |  | December 31, 2022 |                   |



Many of our investment funds like our private equity and real assets funds provide for carried interest. With respect to our carry-paying investment funds, carried interest is eligible to be distributed to the general partner of the fund only after all of the following are met: (i) a realization event has occurred (e.g., sale of a portfolio company, dividend, etc.); (ii) the vehicle has achieved positive overall investment returns since its inception, in excess of performance hurdles where applicable, and is accruing carried interest; and (iii) with respect to investments with a fair value below cost, cost has been returned to fund investors in an amount sufficient to reduce remaining cost to the investments' fair value. Even after all of the preceding conditions are met, the general partner of the fund may, in its sole discretion, decide to defer the distribution of carried interest to it to a later date. In addition, these funds generally include what is called a "clawback" provision, which provides that the general partner must return any carried interest that is paid in excess of what the general partner is entitled to receive at the end of the term of the fund, as discussed further below.

As of **December 31, 2022** **December 31, 2023**, certain of our investment funds had met the first and second criteria, as described above, but did not meet the third criteria. In these cases, carried interest accrues on the consolidated statement of operations, but will not be distributed in cash to us as the general partner of an investment fund upon a realization event. For a fund that has a fair value above cost, overall, and is otherwise accruing carried interest, but has one or more investments where fair value is below cost, the shortfall between cost and fair value for such investments is referred to as a "netting hole." When netting holes are present, realized gains on individual investments that would otherwise allow the general partner to receive carried interest distributions are instead used to return invested capital to our funds' limited partners in an amount equal to the netting hole. Once netting holes have been filled with either (a) return of capital equal to the netting hole for those investments where fair value is below cost or (b) increases in the fair value of those investments where fair value is below cost, then realized carried interest will be distributed to the general partner upon a realization event. A fund that is in a position to pay cash carry refers to a fund for which carried interest is expected to be paid to the general partner upon the next material realization event, which includes funds with no netting holes as well as funds with a netting hole that is sufficiently small in size such that the next material realization event would be expected to result in the payment of carried interest. Strategic investor partnerships with fund investors may require netting across the various funds in which they invest, which may reduce the carried interest we otherwise would have earned if such fund investors were to have invested in our funds without the existence of the strategic investor partnership.

As of **December 31, 2022** **December 31, 2023**, there was no netting hole holes in excess of \$50 million existed at any European Fund V, Asian Fund III, and Health Care Strategic Growth Fund in the amounts of our investment funds that had a fair value above cost, overall, \$105 million, \$97 million, and is otherwise accruing carried interest, \$73 million, respectively. In accordance with the criteria set forth above, other funds currently have and may in the future develop netting holes, and netting holes for those and other funds may otherwise increase or decrease in the future. There are also investment funds that are not accruing carried interest and do not have a netting hole although they may be in a clawback position. If the investment fund has distributed carried interest, but subsequently does not have sufficient value to provide for the distribution of carried interest at the end of the life of the investment fund, the general partner is typically required to return previously distributed carried interest to the fund investors. Although our current and former employees who received distributions of carried interest subject to clawback are required to return them to KKR, it is KKR's obligation to return carried interest subject to clawback to the fund investors. As of **December 31, 2022** **December 31, 2023**, approximately \$520 million \$546 million of carried interest was subject to this clawback obligation, assuming that all applicable carry-paying funds and their alternative investment vehicles were liquidated at their **December 31, 2022** **December 31, 2023** fair values. As of **December 31, 2022** **December 31, 2023**, Asia Asian Fund II is the only investment fund with a clawback obligation in excess of \$50 million. See Note 25 24 "Commitments and Contingencies—Contingent Repayment Guarantees" in our financial statements included elsewhere in this report for further information. See also the negative amounts included in the Carried Interest column in the table included in this Item 7 in "Asset Management—Private Equity" for further information on clawback obligations.

We have access to funding under various credit facilities, other borrowing arrangements and other sources of liquidity that we have entered into with major financial institutions or which we receive from the capital markets.

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For a discussion of our debt obligations, including our debt securities, revolving credit agreements and loans, see Note 17 16 "Debt Obligations" in our financial statements.

## Liquidity Needs

We expect that our (including Global Atlantic's) primary liquidity needs will consist of cash required to meet various obligations, including, without limitation, to:

- continue to support and grow our Asset Management asset management business, lines, including seeding new investment strategies, supporting capital commitments made by our vehicles to existing and future funds, co-investments and any net capital requirements of our capital markets companies and otherwise supporting the investment vehicles that we sponsor;
- continue to support and grow our insurance business;
- grow and expand our businesses generally, including by acquiring or launching new, complementary or adjacent businesses;
- warehouse investments in portfolio companies or other investments for the benefit of one or more of our funds, accounts or CLOs or other investment vehicles pending the contribution of committed capital by the fund investors in such vehicles, and advancing capital to them for operational or other needs;
- service debt obligations including the payment of obligations at maturity, on interest payment dates or upon redemption, as well as any contingent liabilities, including from litigation, that may give rise to future cash payments, including funding requirements to levered investment vehicles or structured transactions;
- fund cash operating expenses and contingencies, including for litigation matters and guarantees;
- pay corporate income taxes and other taxes;
- pay policyholders and amounts in our insurance business related to investment, reinvestment, reinsurance or funding agreement activity;
- pay amounts that may become due under our tax receivable agreement;
- pay cash dividends in accordance with our dividend policy for our common stock or the terms of our preferred stock, if any;
- underwrite commitments, advance loan proceeds and fund syndication commitments within our capital markets business;



- post or return collateral in respect of derivative contracts;
- acquire other assets for our Principal Activities business line, including other (including businesses, investments and assets, other assets) for our businesses, some of which may be required to satisfy regulatory requirements for our capital markets business or risk retention requirements for CLOs (to the extent they may apply);
- address capital needs of regulated subsidiaries as well as non-regulated subsidiaries; and
- repurchase shares of our common stock or retire equity awards pursuant to the share repurchase program or repurchase or redeem other securities issued by us.

For a discussion of KKR's share repurchase program, see Note 23 22 "Equity" in our financial statements.

#### Capital Commitments

The agreements governing our active investment funds generally require the general partners of the funds to make minimum capital commitments to such funds, which generally range from 2% to 8% of a fund's total capital commitments at final closing, but may be greater for certain funds (i) where we are pursuing newer strategies, (ii) where third party investor demand is limited, and (iii) where a larger commitment is consistent with the asset allocation strategy for in our Principal Activities business line, including core investments and exposure to the Asia-Pacific region.

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The following table presents our uncalled commitments to our active investment funds and other vehicles as of December 31, 2022 December 31, 2023:

|                                                                               | Uncalled<br>Commitments |
|-------------------------------------------------------------------------------|-------------------------|
| Private Equity                                                                | (\$ in millions)        |
| Core Investment Vehicles                                                      | \$ 3,883 3,066          |
| Ascendant Fund                                                                | 312                     |
| European Fund VI                                                              | 750 146                 |
| Health Care Strategic Growth Fund II                                          | 90                      |
| Asian Fund IV                                                                 | 367 84                  |
| North America Fund XIII                                                       | 359 80                  |
| Next Generation Technology Growth Fund III                                    | 196 21                  |
| Global Impact Fund II                                                         | 145 17                  |
| Other Private Equity Vehicles                                                 | 1,543 938               |
| <b>Total Private Equity Commitments</b>                                       | <b>7,370 4,754</b>      |
| <b>Real Assets</b>                                                            |                         |
| Asia Pacific Infrastructure Investors II                                      | 357 342                 |
| Global Infrastructure Investors IV                                            | 272                     |
| Asia Real Estate Partners                                                     | 162                     |
| Real Estate Partners Americas III                                             | 91 80                   |
| Diversified Core Infrastructure Fund Asia Real Estate Partners                | 87 63                   |
| Real Estate Partners Europe II                                                | 81 63                   |
| Real Estate Credit Opportunity Partners II Global Infrastructure Investors IV | 17                      |
| Other Real Assets Vehicles                                                    | 782 1,330               |
| <b>Total Real Assets Commitments</b>                                          | <b>1,849 1,895</b>      |
| <b>Credit and Liquid Strategies</b>                                           |                         |
| Opportunities Fund II                                                         | 116                     |
| Asia Credit Opportunities                                                     | 94                      |
| Dislocation Opportunities Fund                                                | 69                      |
| Asset-Based Finance Partners                                                  | 97 68                   |
| Asia Credit                                                                   | 97                      |
| Dislocation Opportunities Fund                                                | 84                      |
| Lending Partners III IV                                                       | 12 16                   |
| Lending Partners Europe II                                                    | 11 16                   |
| Private Credit Opportunities Partners II                                      | 7                       |
| Other Credit and Liquid Strategies Vehicles                                   | 916 633                 |
| <b>Total Credit and Liquid Strategies Commitments</b>                         | <b>1,217 1,019</b>      |
| <b>Total Uncalled Commitments</b>                                             | <b>\$ 10,436 7,668</b>  |

#### Other Commitments

In addition to the uncalled commitments to our investment funds as shown above, KKR has entered into contractual commitments primarily with respect to underwriting transactions, debt financing, revolving credit facilities, and equity syndications in our Capital Markets business line. As of **December 31, 2022** **December 31, 2023**, these commitments amounted to **\$0.7** **\$0.3** billion.

Whether these amounts are actually funded, in whole or in part, depends on the contractual terms of such commitments, including the satisfaction or waiver of any conditions to closing or funding. Our capital markets business has arrangements with third parties, which reduce our risk under certain circumstances when underwriting certain debt transactions, and thus our unfunded commitments as of **December 31, 2022** **December 31, 2023** have been reduced to reflect the amount to be funded by such third parties. In the case of purchases of investments or assets in our Principal Activities business line, the amount to be funded includes amounts that are intended to be syndicated to third parties, and the actual amounts to be funded may be less. For more information about our Capital Markets business line's risks, see **"Risks "Risk Factors—Risks Related to Our Business—Our capital markets activities expose us to material risks." risks" in this report.**

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From time to time, we fund various underwriting, syndication and fronting commitments in our capital markets business in connection with the arranging or underwriting of loans, securities or other financial instruments, for which we may draw all or substantially all of our availability for borrowings under our available credit facilities. We generally expect these borrowings by our **Capital Markets capital markets business line** to be repaid promptly as these commitments are syndicated to third parties or otherwise fulfilled or terminated, although we may in some instances elect to retain a portion of the commitments for our own investment. For more information about our **Capital Markets capital markets business line's** risks, see **"Risks "Risk Factors—Risks Related to Our Business—Our capital markets activities expose us to material risks"** in this report.

#### Tax Receivable Agreement

On May 30, 2022, KKR terminated the tax receivable agreement with KKR Holdings other than with respect to exchanges of KKR Holdings Units completed prior to such date. As of **December 31, 2022** **December 31, 2023**, an undiscounted payable of **\$420.6 million** **\$406.7 million** has been recorded in due to affiliates in the financial statements representing management's best estimate of the amounts currently expected to be owed for certain exchanges of KKR Holdings Units that took place prior to the termination of the tax receivable agreement. As of **December 31, 2022** **December 31, 2023**, approximately **\$60.4 million** **\$76.7 million** of cumulative cash payments have been made under the tax receivable agreement since inception.

#### Dividends and Stock Repurchases

A dividend of **\$0.155** **\$0.165** per share of our common stock has been declared and will be paid on **March 7, 2023** **March 1, 2024** to holders of record of our common stock as of the close of business on **February 17, 2023** **February 16, 2024**.

**A** On September 15, 2023, each outstanding share of the Series C Mandatory Convertible Preferred Stock automatically converted into 1.1700 shares of common stock, subject to cash being paid to holders in lieu of fractional shares, as applicable. In addition, a dividend of \$0.75 per share of Series C Mandatory Convertible Preferred Stock **has been declared and set aside for payment** was paid on **March 15, 2023** **September 15, 2023** to holders of record of Series C Mandatory Convertible Preferred Stock as of the close of business on **March 1, 2023** **September 1, 2023**.

When KKR & Co. Inc. receives distributions from KKR Group Partnership, holders of exchangeable securities receive their pro rata share of such distributions from KKR Group Partnership.

The declaration and payment of dividends to our common stockholders will be at the sole discretion of our Board of Directors, and our dividend policy may be changed at any time. We announced on **February 7, 2023** **February 6, 2024** that our current dividend policy will be to pay dividends to holders of our common stock in an annual aggregate amount of **\$0.66** **\$0.70** per share (or a quarterly dividend of **\$0.165** **\$0.175** per share) beginning with the dividend to be announced with the results **for of the first quarter of 2023, ending March 31, 2024**. The declaration of dividends is subject to the discretion of our Board of Directors based on a number of factors, including KKR's future financial performance and other considerations that the Board of Directors deems relevant, and compliance with the terms of KKR & Co. Inc.'s certificate of incorporation and applicable law. For U.S. federal income tax purposes, any dividends we pay (including dividends on our preferred stock) generally will be treated as qualified dividend income for U.S. individual stockholders to the extent paid out of our current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. There can be no assurance that future dividends will be made as intended or at all or that any particular dividend policy for our common stock will be maintained. Furthermore, the declaration and payment of distributions by KKR Group Partnership and our other subsidiaries may also be subject to legal, contractual and regulatory restrictions, including restrictions contained in our debt **agreements agreements**.

Since 2015, KKR has repurchased, or retired equity awards representing, a total of 91.9 million shares of common stock for \$2.5 billion, which equates to an average price of \$27.32 per share. For further information, see **"Part II—Item 5—Market for Registrant's Common Equity, Related Stockholder Matters and the terms Issuer Purchases of the preferred units of KKR Group Partnership, Equity Securities."**

#### Contractual Obligations, Commitments and Contingencies

In the ordinary course of business, we (including Global Atlantic) and our consolidated funds and CFEs enter into contractual arrangements that may require future cash payments. Contractual arrangements include (1) commitments to fund the purchase of investments or other assets (including obligations to fund capital commitments as the general partner of our investment funds) or to fund collateral for derivative transactions or otherwise, (2) obligations arising under our senior notes, subordinated notes, and other indebtedness, (3) commitments by our capital markets business to underwrite transactions or to lend capital, (4) obligations arising under insurance policies written, (5) other contractual obligations, including servicing agreements with third-party administrators for insurance policy administration, and (6) commitments to fund the business, operations or investments of our subsidiaries. In addition, we may incur contingent liabilities for claims that may be made against us in the future. For more information about these contingent liabilities, please see Note **25 24** "Commitments and Contingencies" in our financial statements.

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The following table sets forth information relating to anticipated future cash payments as of **December 31, 2022** **December 31, 2023** excluding consolidated funds and CFEs with a reconciliation of such amounts to anticipated future cash payments by us (including Global Atlantic) and our consolidated funds and CFEs.

| Types of Contractual Obligations | Types of Contractual Obligations | Payments due by Period |           |           |          |       | Types of Contractual Obligations | Payments due by Period |           |           |          |       |
|----------------------------------|----------------------------------|------------------------|-----------|-----------|----------|-------|----------------------------------|------------------------|-----------|-----------|----------|-------|
|                                  |                                  | <1 Year                | 1-3 Years | 3-5 Years | >5 Years | Total |                                  | <1 Year                | 1-3 Years | 3-5 Years | >5 Years | Total |
|                                  |                                  | (\$ in millions)       |           |           |          |       |                                  | (\$ in millions)       |           |           |          |       |
| Asset Management                 | Asset Management                 |                        |           |           |          |       |                                  |                        |           |           |          |       |

|                                                                  |                                                                  |            |            |            |             |             |
|------------------------------------------------------------------|------------------------------------------------------------------|------------|------------|------------|-------------|-------------|
| Uncalled commitments to investment funds <sup>(1)</sup>          |                                                                  |            |            |            |             |             |
| Uncalled commitments to investment funds <sup>(1)</sup>          |                                                                  |            |            |            |             |             |
| Uncalled commitments to investment funds <sup>(1)</sup>          | Uncalled commitments to investment funds <sup>(1)</sup>          | \$10,436.0 | \$ —       | \$ —       | \$ —        | \$ 10,436.0 |
| Debt payment obligations <sup>(2)</sup>                          | Debt payment obligations <sup>(2)</sup>                          | 189.5      | 37.9       | 275.9      | 7,368.6     | 7,871.9     |
| Interest obligations on debt payment obligations <sup>(3)</sup>  | Interest obligations on debt payment obligations <sup>(3)</sup>  | 334.0      | 567.4      | 565.1      | 4,084.2     | 5,550.7     |
| Underwriting commitments <sup>(4)</sup>                          | Underwriting commitments <sup>(4)</sup>                          | 6.1        | —          | —          | —           | 6.1         |
| Lending commitments <sup>(5)</sup>                               | Lending commitments <sup>(5)</sup>                               | 507.1      | —          | —          | —           | 507.1       |
| Purchase commitments <sup>(6)</sup>                              | Purchase commitments <sup>(6)</sup>                              | 141.1      | —          | —          | —           | 141.1       |
| Lease obligations                                                | Lease obligations                                                | 45.6       | 94.5       | 68.3       | 192.6       | 401.0       |
| Insurance <sup>(7)</sup>                                         | Insurance <sup>(7)</sup>                                         |            |            |            |             |             |
| Insurance <sup>(7)</sup>                                         |                                                                  |            |            |            |             |             |
| Insurance <sup>(7)</sup>                                         |                                                                  |            |            |            |             |             |
| Policy liabilities <sup>(8)</sup>                                |                                                                  |            |            |            |             |             |
| Policy liabilities <sup>(8)</sup>                                |                                                                  |            |            |            |             |             |
| Policy liabilities <sup>(8)</sup>                                | Policy liabilities <sup>(8)</sup>                                | 13,623.9   | 29,730.8   | 24,036.3   | 102,686.6   | 170,077.6   |
| Debt payment obligations <sup>(9)</sup>                          | Debt payment obligations <sup>(9)</sup>                          | —          | —          | 400.0      | 1,900.0     | 2,300.0     |
| Interest obligations on debt payment obligations <sup>(10)</sup> | Interest obligations on debt payment obligations <sup>(10)</sup> | 103.0      | 206.0      | 205.0      | 1,517.0     | 2,031.0     |
| Purchase and lease commitments <sup>(11)</sup>                   | Purchase and lease commitments <sup>(11)</sup>                   | 60.9       | 97.6       | 63.0       | 347.8       | 569.3       |
| Total Contractual Obligations of KKR                             | Total Contractual Obligations of KKR                             | \$25,447.2 | \$30,734.2 | \$25,613.6 | \$118,096.8 | \$199,891.8 |
| (+) Uncalled commitments of consolidated funds <sup>(12)</sup>   | (+) Uncalled commitments of consolidated funds <sup>(12)</sup>   | 19,423.9   | —          | —          | —           | 19,423.9    |

|                                                                                    |                                                                                    |                   |                   |                   |                    |                    |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| (+) Debt payment obligations of consolidated funds, CFEs and Other <sup>(13)</sup> | (+) Debt payment obligations of consolidated funds, CFEs and Other <sup>(13)</sup> | 2,266.7           | 900.5             | 980.8             | 29,470.8           | 33,618.8           |
| (+) Corporate real estate borrowings <sup>(14)</sup>                               | (+) Corporate real estate borrowings <sup>(14)</sup>                               | 490.0             | —                 | —                 | —                  | 490.0              |
| (+) Interest obligations of consolidated funds, CFEs and Other <sup>(15)</sup>     | (+) Interest obligations of consolidated funds, CFEs and Other <sup>(15)</sup>     | 1,660.1           | 2,896.4           | 2,797.6           | 6,034.7            | 13,388.8           |
| <b>Total Consolidated Contractual Obligations</b>                                  | <b>Total Consolidated Contractual Obligations</b>                                  | <b>\$49,287.9</b> | <b>\$34,531.1</b> | <b>\$29,392.0</b> | <b>\$153,602.3</b> | <b>\$266,813.3</b> |

#### Total Consolidated

#### Contractual Obligations

#### Total Consolidated

#### Contractual Obligations

- These uncalled commitments represent amounts committed by us to fund a portion of the purchase price paid for each investment made by our investment funds which are actively investing. Because capital contributions are due on demand, the above commitments have been presented as falling due within one year. However, given the size of such commitments and the pace at which our investment funds make investments, we expect that the capital commitments presented above will be called over a period of several years. See "—Liquidity Needs" and Note 17 16 "Debt Obligations" in our financial statements.
- Amounts include senior notes and subordinated notes issued by KKR and its subsidiaries. KFN's debt obligations are non-recourse to KKR beyond the assets of KFN.
- These interest obligations on debt represent estimated interest to be paid over the term of the related debt obligation, which has been calculated assuming the debt outstanding at December 31, 2022 December 31, 2023 is not repaid until its maturity. Future interest rates are assumed to be those in effect as of December 31, 2022 December 31, 2023, including both variable and fixed rates, as applicable, provided for by the relevant debt agreements. The amounts presented above include accrued interest on outstanding indebtedness.
- Represents various commitments in our capital markets business in connection with the underwriting of loans, securities and other financial instruments. These commitments are shown net of amounts syndicated.
- Represents obligations in our capital markets business to lend under various revolving credit facilities.
- Represents commitments of KKR's asset management business line including KFN to fund the purchase of various investments.
- Global Atlantic has other obligations related to collateral payable held for derivative instruments (\$466.4 45.1 million) and outstanding commitments to make investments in commercial mortgage loans, other lending facilities and other investments (\$3.3 4.2 billion) which have not been included in the above table as the exact timing of these payments cannot be estimated. Global Atlantic's debt obligations are non-recourse to KKR beyond the assets of Global Atlantic.
- Policy liabilities for insurance obligations consist of amounts required to meet future obligations for future policy benefits and policy account balances. Amounts presented in the table represent estimated cash payments under such contracts, including significant assumptions related to the receipt of future premiums, mortality, lapse, renewal, withdrawal, and annuitization comparable with actual experience. These assumptions also include market growth and policy crediting consistent with assumptions used in amortizing DAC crediting. All estimated cash payments are not discounted to present value. Accordingly, the total of cash flows presented for all years of \$170.1 billion \$191.9 billion significantly exceeds total policy liabilities of \$141.2 billion \$160.1 billion recorded on the statements of financial condition as of December 31, 2022 December 31, 2023. Estimated cash payments are also presented gross of reinsurance. Due to the significance of the assumptions used, the amounts presented could differ materially from actual results.
- The payments due by period for debt obligations reflects reflect the contractual maturities of principal.
- Reflects estimated future interest payments. Future interest on variable rate debt (which includes borrowing under our Global Atlantic's revolving credit facility and the subordinated debentures) was computed using prevailing rates as of December 31, 2022 December 31, 2023 and, as such, does not consider the impact of future rate movements. Future interest on fixed rate debt was computed using the stated rate on the obligations.

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- Reflects operational servicing agreements with third-party administrators for policy administration.
- Represents uncalled commitments of our consolidated funds excluding KKR's portion of uncalled commitments as the general partner of the respective funds. Because capital contributions are due on demand, the above commitments have been presented as falling due within one year. However, given the size of such commitments and the pace at which our investment funds make investments, we expect that the capital commitments presented above will be called over a period of several years. See "—Liquidity Needs" and Note 17 16 "Debt Obligations" in our financial statements.
- Amounts include (i) financing arrangements entered into by our consolidated funds with the objective of providing liquidity to the funds of \$9.0 \$8.5 billion, (ii) debt securities issued by our consolidated CLOs of \$22.3 billion \$25.3 billion and (iii) borrowings collateralized by fund investments, fund co-investments and other assets held by levered investment vehicles of \$2.3 billion \$2.9 billion. Debt securities issued by consolidated CLO entities are supported solely by the investments held at the CLO vehicles and are not collateralized by assets of any other KKR entity. Borrowings by levered investment vehicles are supported solely by the investments held at the investment vehicles and are not collateralized by assets of any other KKR entity. Obligations under financing arrangements entered into by our consolidated funds are generally limited to our pro rata equity interest in such funds. Our management companies bear no obligations to repay any financing arrangements at our consolidated funds.

(14) Represents a debt obligation in connection with the ownership of KKR office space.

(15) The interest obligations on debt of our CFEs and other borrowings represent estimated interest to be paid over the term of the related debt obligation, which has been calculated assuming the debt outstanding at **December 31, 2022** **December 31, 2023** is not repaid until its maturity. Future interest rates are assumed to be those in effect as of **December 31, 2022** **December 31, 2023**, including both variable and fixed rates, as applicable, provided for by the relevant debt agreements. The amounts presented above include accrued interest on outstanding indebtedness.

The commitment table above excludes contractual amounts owed under the tax receivable agreement because the ultimate amount and timing of the amounts due are not presently known. See "—Liquidity Needs—Tax Receivable Agreement" in this report and "Risk Factors—**Risks Related to Our Organizational Structure**—We will be required to pay **our certain** principals for most of the benefits relating to our use of tax attributes we receive from **certain prior historical** exchanges of our common stock for KKR Group Partnership Units" in this report.

## Off Balance Sheet Arrangements

We do not have any off-balance sheet financings or liabilities other than contractual commitments and other legal contingencies incurred in the normal course of our business.

## Critical Accounting Policies and Estimates

The preparation of our financial statements in accordance with GAAP requires our management to make estimates and judgments that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of fees, capital allocation-based income (loss), expenses, investment income, and income taxes. Our management bases these estimates and judgments on available information, historical experience and other assumptions that we believe are reasonable under the circumstances. However, these estimates, judgments and assumptions are often subjective and may be impacted negatively based on changing circumstances or changes in our analyses. If actual amounts are ultimately different from those estimated, judged or assumed, revisions are included in the financial statements in the period in which the actual amounts become known. We believe our critical accounting policies could potentially produce materially different results if we were to change underlying estimates, judgments or assumptions.

For a further discussion about our critical accounting policies, see Note 2 "Summary of Significant Accounting Policies" in our financial statements included in this report.

## Basis of Accounting

We consolidate the financial results of KKR Group Partnership and its consolidated entities, which include the accounts of our investment advisers, broker-dealers, Global Atlantic's insurance companies, the general partners of certain unconsolidated investment funds, general partners of consolidated investment funds and their respective consolidated investment funds and certain other entities including CFEs.

When an entity is consolidated, we reflect the accounts of the consolidated entity, including its assets, liabilities, revenues, expenses, investment income, cash flows and other amounts, on a gross basis. While the consolidation of an investment fund or entity does not have an effect on the amounts of Net Income Attributable to KKR or KKR's stockholders' equity that KKR reports, the consolidation does significantly impact the financial statement presentation under GAAP. This is due to the fact that the accounts of the consolidated entities are reflected on a gross basis while the allocable share of those amounts that are attributable to third parties are reflected as single line items. The single line items in which the accounts attributable to third parties are recorded are presented as noncontrolling interests on the consolidated statements of financial condition and net income (loss) attributable to noncontrolling interests on the consolidated statements of operations.

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The presentation in the financial statements reflect the significant industry diversification of KKR by its acquisition of Global Atlantic. Global Atlantic operates an insurance business, and KKR operates an asset management business, each of which possess distinct characteristics. As a result, KKR developed a two-tiered presentation approach for the financial statements in this Management's Discussion and Analysis. KKR believes that these separate presentations provide a more informative view of the consolidated financial position and results of operations than traditional aggregated presentations. KKR believes that reporting Global Atlantic's insurance operations separately is appropriate given, among other factors, the relative significance of Global Atlantic's policy liabilities, which are not obligations of KKR (other than the insurance companies that issued them). If a traditional aggregated presentation were to be used, KKR would expect to eliminate or combine several identical or similar captions, which would condense the presentations but would reduce transparency. KKR also believes that using a traditional aggregated presentation would result in no new line items compared to the two-tier presentation included in the financial statements in this report. **We acquired Global Atlantic on February 1, 2021; accordingly, the results of Global Atlantic's insurance operations included in our consolidated results of operations for the year ended December 31, 2021 are from February 1, 2021 (the closing date of the GA Acquisition) through December 31, 2021.**

## Consolidation

KKR consolidates all entities that it controls either through a majority voting interest or as the primary beneficiary of variable interest entities ("VIEs"). The following discussion is intended to provide supplemental information about how the application of consolidation principles impact our financial results, and management's process for implementing those principles including areas of significant judgment. For a detailed description of our accounting policy on consolidation, see Note 2 "Summary of Significant Accounting Policies" in our financial statements included in this report.

As part of its consolidation procedures, KKR evaluates: (1) whether it holds a variable interest in an entity, (2) whether the entity is a VIE, and (3) whether the KKR's involvement would make it the primary beneficiary. The determination that KKR holds a controlling financial interest in an investment vehicle significantly changes the presentation of our consolidated financial statements.

The assessment of whether we consolidate an investment vehicle we manage requires the application of significant judgment. These judgments are applied both at the time we become involved with an investment vehicle and on an ongoing basis and include, but are not limited to:

- Determining whether our management fees, carried interests or incentive fees represent variable interests - We make judgments as to whether the fees we earn are commensurate with the level of effort required for those fees and at market rates. In making this judgment, we consider, among other things, the extent of third party



investment in the entity and the terms of any other interests we hold in the VIE.

- Determining whether a legal entity qualifies as a VIE - For those entities where KKR holds a variable interest, management determines whether each of these entities qualifies as a VIE and, if so, whether or not KKR is the primary beneficiary. The assessment of whether the entity is a VIE is generally performed qualitatively, which requires judgment. These judgments include: (a) determining whether the equity investment at risk is sufficient to permit the entity to finance its activities without additional subordinated financial support, (b) evaluating whether the equity holders, as a group, can make decisions that have a significant effect on the economic performance of the entity, (c) determining whether two or more parties' equity interests should be aggregated, and (d) determining whether the equity investors have proportionate voting rights to their obligations to absorb losses or rights to receive returns from an entity. Entities that do not qualify as VIEs are generally assessed for consolidation as voting interest entities. Under the voting interest entity model, the Company KKR consolidates those entities it controls through a majority voting interest.
- Concluding whether KKR has an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE - As there is no explicit threshold in GAAP to define "potentially significant," we must apply judgment and evaluate both quantitative and qualitative factors to conclude whether this threshold is met.

Changes to these judgments could result in a change in the consolidation conclusion for a legal entity.

#### Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

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GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Investments and other financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

#### Level I

Pricing inputs are unadjusted, quoted prices in active markets for identical assets or liabilities as of the measurement date.

#### Level II

Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date, and fair value is determined through the use of models or other valuation methodologies.

#### Level III

Pricing inputs are unobservable for the financial instruments and include situations where there is little, if any, market activity for the financial instrument. The inputs into the determination of fair value require significant management judgment or estimation. The valuation of our Level III investments at [December 31, 2022](#) [December 31, 2023](#) represents management's best estimate of the amounts that we would anticipate realizing on the sale of these investments in an orderly transaction at such date.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety.

#### Level III Valuation Methodologies

Our investments and financial instruments are impacted by various economic conditions and events outside of our control that are difficult to quantify or predict, which may have a significant impact on the valuation of our investments and, therefore, on the carried interest and investment income we realize. Additionally, a change in interest rates could have a significant impact on valuations.

Across the total Level III private equity investment portfolio (including core private equity investments), and including investments in both consolidated and unconsolidated investment funds, approximately [55%](#) [60%](#) of the fair value is derived from investments that are valued based exactly 50% on market comparables and 50% on a discounted cash flow analysis. Less than [5%](#) [1%](#) of the fair value of this Level III private equity investment portfolio is derived from investments that are valued either based 100% on market comparables or 100% on a discounted cash flow analysis. As of [December 31, 2022](#) [December 31, 2023](#), the overall weights ascribed to the market comparables methodology, the discounted cash flow methodology, and a methodology based on pending sales for this portfolio of Level III private equity investments were [38%](#) [39%](#), [55%](#) [54%](#), and 7%, respectively.

There is inherent uncertainty involved in the valuation of Level III investments, and there is no assurance that, upon liquidation, KKR will realize the values reflected in our valuations. Our valuations may differ significantly from the values that would have been used had an active market for the investments existed, and it is reasonably possible that the difference could be material. See ["Risk Factors" and "—Business Environment"](#) for more information on factors that may impact our business, financial performance, operating results and valuations.

Key unobservable inputs that have a significant impact on our Level III valuations as described above are included in Note [10](#) [9](#) "Fair Value Measurements" in our financial statements.

### Level III Valuation Process

The valuation process involved for Level III measurements is completed on a quarterly basis and is designed to subject the valuation of Level III investments to an appropriate level of consistency, oversight, and review.

For private equity and real asset investments classified as Level III, investment professionals prepare preliminary valuations based on their evaluation of financial and operating data, company specific developments, market valuations of comparable companies and other factors. KKR begins its procedures to determine the fair values of its Level III assets approximately one month prior to the end of a reporting period, and KKR follows additional procedures to ensure that its determinations of fair value for its Level III assets are appropriate as of the relevant reporting date. These preliminary valuations are reviewed by an independent valuation firm engaged by KKR to perform certain procedures in order to assess the reasonableness of KKR's valuations annually for all Level III private equity and real asset investments and quarterly for

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investments other than certain investments, which have values less than preset value thresholds and which in the aggregate comprise less than 1% of the total value of KKR's Level III private equity and real asset investments. The valuations of certain real asset investments are determined solely by independent valuation firms without the preparation of preliminary valuations by our investment professionals, and instead such independent valuation firms rely on valuation information available to it as a broker or valuation firm. For credit investments, an independent valuation firm is generally engaged by KKR to assist with the valuations of most investments classified as Level III. The valuation firm either provides a value, provides a valuation range from which KKR's investment professionals select a point in the range to determine the valuation, or performs certain procedures in order to assess the reasonableness of KKR's valuations. After reflecting any input from the independent valuation firm, the valuation proposals are submitted for review and approval by KKR's valuation committees. As of **December 31, 2022** **December 31, 2023**, less than **3%** **4%** of the total value of our Level III credit investments were not valued with the engagement of an independent valuation firm.

For Level III investments in Asset Management, KKR has a global valuation committee that is responsible for coordinating and implementing the firm's valuation process to ensure consistency in the application of valuation principles across portfolio investments and between periods. The global valuation committee is assisted by the asset class-specific valuation committees that exist for private equity (including core equity investments and certain impact investments), growth equity (including certain impact investments), real estate, energy, infrastructure and credit. The asset class-specific valuation committees are responsible for the review and approval of all preliminary Level III valuations in their respective asset classes on a quarterly basis. The members of these valuation committees are comprised of investment professionals, including the heads of each respective strategy, and professionals from business operations functions such as legal, compliance and finance, who are not primarily responsible for the management of the investments. All Level III valuations for investments in Asset Management are also subject to approval by the global valuation committee, which is comprised of senior employees including investment professionals and professionals from business operations functions, and includes KKR's **Co-Chief Executive Officers and its** Chief Financial Officer, Chief Legal Officer **and** General Counsel, and Chief Compliance Officer. When valuations are approved by the global valuation committee after reflecting any input from it, the valuations of Level III investments, as well as the valuations of Level I and Level II investments, are presented to the Audit Committee of the Board of Directors of KKR & Co. Inc. and are then reported to the Board of Directors.

Level III investments held by Global Atlantic are valued on the basis of pricing services, broker-dealers or internal models. Global Atlantic performs a quantitative and qualitative analysis and review of the information and prices received from independent pricing services as well as broker-dealers to verify that it represents a reasonable estimate of fair value. As of **December 31, 2022** **December 31, 2023**, approximately **87%** **88%** of these investments were priced via external sources, while approximately **13%** **12%** were valued on the basis of internal models. For all the internally developed models, Global Atlantic seeks to verify the reasonableness of fair values by analyzing the inputs and other assumptions used. These preliminary valuations are reviewed, based on certain thresholds, by an independent valuation firm engaged by Global Atlantic to perform certain procedures in order to assess the reasonableness of Global Atlantic's valuations. When valuations are approved by Global Atlantic's management, the valuations of its Level III investments, as well as the valuations of Level I and Level II investments, are presented to the Audit Committee of the Board of Directors of KKR & Co. Inc. and are then reported to the Board of Directors.

As of **December 31, 2022** **December 31, 2023**, upon completion by, where applicable, independent valuation firms of certain limited procedures requested to be performed by them on certain Level III investments, the independent valuation firms concluded that the fair values, as determined by KKR (including Global Atlantic), of those investments reviewed by them were reasonable. The limited procedures did not involve an audit, review, compilation or any other form of examination or attestation under generally accepted auditing standards and were not conducted on all Level III investments. We are responsible for determining the fair value of investments in good faith, and the limited procedures performed by an independent valuation firm are supplementary to the inquiries and procedures that we are required to undertake to determine the fair value of the commensurate investments.

As described above, Level II and Level III investments were valued using internal models with significant unobservable inputs, and our determinations of the fair values of these investments may differ materially from the values that would have resulted if readily observable inputs had existed. Additional external factors may cause those values, and the values of investments for which readily observable inputs exist, to increase or decrease over time, which may create volatility in our earnings and the amounts of assets and stockholders' equity that we report from time to time.

Changes in the fair value of investments impacts the amount of carried interest that is recognized as well as the amount of investment income that is recognized for investments held directly in Asset Management and through our consolidated funds as described below. We estimate that an immediate 10% decrease in the fair value of investments held directly and through consolidated investment funds generally would result in a commensurate change in the amount of net gains (losses) from investment activities for investments held directly and through investment funds and a more significant impact to the amount of

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carried interest recognized, regardless of whether the investment was valued using observable market prices or management estimates with significant unobservable pricing inputs. With respect to consolidated investment funds, the impact that the consequential decrease in investment income would have on net income attributable to KKR would generally be significantly less than the amount described above, given that a majority of the change in fair value of our consolidated funds would be attributable to noncontrolling interests and therefore we are only impacted to the extent of our carried interest and our balance sheet investments. With respect to Insurance, a decrease in investment income for certain assets where investment gains and losses are recognized through the statement of operations would impact KKR only to the extent of our economic ownership interest in Global Atlantic.

As of **December 31, 2022** **December 31, 2023**, there were no investments which represented greater than 5% of total investments on a GAAP basis. On a **non-GAAP segment** basis, as of **December 31, 2022** **December 31, 2023**, investments which represented greater than 5% of total **non-GAAP asset management segment** investments consisted of USI, Inc. and PetVet Care Centers, LLC and valued at **\$1,300** **\$1,915** million and **\$1,143** **\$1,134** million, respectively. Our investment income on a GAAP basis and our book value can be impacted by volatility in the public markets related to our holdings of publicly traded securities, including our sizable holdings of Crescent **Energy**, and **BridgeBio Pharma, Inc.** See **"Risk Factors"** and **"—Business Environment"** for a discussion of factors that may impact the valuations of our investments, financial results, operating results and valuations, and **"—Non-GAAP Balance Sheet Measures"** for additional information regarding our largest holdings on a **non-GAAP segment** basis.

## **Business Combinations**

KKR accounts for business combinations using the acquisition method of accounting, under which the purchase price of the acquisition is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date.

Management's determination of fair value of assets acquired and liabilities assumed at the acquisition date is based on the best information available in the circumstances and may incorporate management's own assumptions and involve a significant degree of judgment. We use our best estimates and assumptions to accurately assign fair value to the tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date as well as the useful lives of those acquired intangible assets. Examples of critical estimates in valuing certain of the intangible assets we have acquired include, but are not limited to, future expected cash inflows and outflows, future fundraising assumptions, expected useful life, discount rates and income tax rates. Our estimates for future cash flows are based on historical data, various internal estimates and certain external sources, and are based on assumptions that are consistent with the plans and estimates we are using to manage the underlying assets acquired. We estimate the useful lives of the intangible assets based on the expected period over which we anticipate generating economic benefit from the asset. We base our estimates on assumptions we believe to be reasonable but that are unpredictable and inherently uncertain. Unanticipated events and circumstances may occur that could affect the accuracy or validity of such assumptions, estimates or actual result.

## **Income Taxes**

Significant judgment is required in estimating the provision for (benefit from) income taxes, current and deferred tax balances (including valuation allowance), accrued interest or penalties and uncertain tax positions. In evaluating these judgments, we consider, among other items, projections of taxable income (including the character of such income), beginning with historic results and incorporating assumptions of the amount of future pretax operating income. These assumptions about future taxable income require significant judgment and are consistent with the plans and estimates that KKR uses to manage its business. **As of December 31, 2022, a** portion of the deferred tax assets are not considered to be more likely than not to be realized. For that portion of the deferred tax assets for Global Atlantic, a valuation allowance has been recorded. Revisions in estimates and/or actual costs of a tax assessment may ultimately be materially different from the recorded accruals and unrecognized tax benefits, if any. Please see Note **19** **18** "Income Taxes" in our financial statements in this report for further details.

## **Critical Accounting Policies and Estimates - Asset Management**

### **Revenues**

#### *Fees and Other*

Fees and other consist primarily of (i) management and incentive fees from providing investment management services to unconsolidated funds, CLOs, other vehicles, and separately managed accounts; (ii) transaction fees earned in connection with successful investment transactions and from capital markets activities; (iii) monitoring fees from providing services to portfolio companies; (iv) expense reimbursements from certain investment funds and portfolio companies; and (v) consulting fees. These

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fees are based on the contractual terms of the governing agreements and are recognized when earned, which coincides with the period during which the related services are performed and in the case of transaction fees, upon closing of the transaction. Monitoring fees may provide for a termination payment following an initial public offering or change of control. These termination payments are recognized in the period when the related transaction closes.

Transaction fee calculations and management fee calculations based on committed capital or invested capital typically do not require discretion and therefore do not require the use of significant estimates or judgments. Management fee calculations based on net asset value depend on the fair value of the underlying investments within the investment vehicles. Estimates and assumptions are made when determining the fair value of the underlying investments within the funds and could vary depending on the valuation methodology that is used as well as economic conditions.

#### *Capital Allocation-Based Income (Loss)*

Capital allocation-based income (loss) is earned from those arrangements whereby KKR serves as general partner and includes income or loss from KKR's capital interest as well as "carried interest" which entitles KKR to a disproportionate allocation of investment income or loss from an investment fund's limited partners.

Carried interest is recognized upon appreciation of the funds' investment values above certain return hurdles set forth in their partnership agreement. KKR recognizes revenues attributable to capital allocation-based income based upon the amount that would be due pursuant to the fund partnership agreement at each period end as if the funds were terminated at that date. Accordingly, the amount recognized reflects KKR's share of the gains and losses of the associated funds' underlying investments measured at their then-current fair values relative to the fair values as of the end of the prior period. Because of the inherent uncertainty in measuring the fair value of investments in the absence of observable market prices as previously discussed, these estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and it is reasonably possible that the difference could be material.

## Expenses

### Compensation and Benefits

Compensation and Benefits expense includes (i) base cash compensation consisting of salaries and wages, (ii) benefits, (iii) carry pool allocations, (iv) equity-based compensation and (v) discretionary cash bonuses.

To supplement base cash compensation, benefits, carry pool allocations, and equity-based compensation, we typically pay discretionary cash bonuses, which are included in Compensation and Benefits expense in the consolidated statements of operations, based principally on the level of (i) management fees and other fee revenues (including incentive fees), (ii) realized carried interest and (iii) realized investment income earned during the year. The amounts paid as discretionary cash bonuses, if any, are at our sole discretion and vary from individual to individual and from period to period, including having no cash bonus. We accrue discretionary cash bonuses when payment becomes probable and reasonably estimable which is generally in the period when we make the decision to pay discretionary cash bonuses and is based upon a number of factors, including the recognition of fee revenues, realized carried interest, realized investment income and other factors determined during the year.

Beginning in 2021, we expect to pay our employees by assigning a percentage range to each component of asset management segment revenues. **Based Prior to January 1, 2024, based** on the current components and blend of our asset management segment revenues on an annual basis, we **expect expected** to use approximately: (i) 20-25% of fee related revenues, (ii) 60-70% of realized carried interest and incentive fees not included in fee related performance revenues or earned from our hedge fund partnerships, and (iii) 10-20% of realized investment income and hedge fund partnership incentive fees, to pay our asset management employees. Beginning in January 2024, we expect to use approximately: (i) 15%-20% of fee related revenues, (ii) 70%-80% of realized carried interest and incentive fees not included in fee related performance revenues or earned from our hedge fund partnerships, and (iii) 10%-20% of realized investment income and hedge fund partnership incentive fees, to pay our asset management employees. Because these ranges are applied to applicable asset management segment revenue components independently, and on an annual basis, the amount paid as a percentage of total asset management segment revenue will vary and will, for example, likely be higher in a period with relatively higher realized carried interest and lower in a period with relatively lower realized carried interest. We decide whether to pay a discretionary cash bonus and determine the percentage of applicable revenue components to pay compensation only upon the occurrence of the realization event. There is no contractual or other binding obligation that requires us to pay a discretionary cash bonus to the asset management employees, except in limited circumstances.

Assuming that we had accrued compensation of (i) 65% of the unrealized carried interest earned by the funds that allocate 40% and 43% to the carry pool and (ii) 15% of the unrealized net gains in our Principal Activities business line (in each case at the mid-point of the ranges above), KKR & Co. Inc. Stockholders' Equity – Common Stock as of **December 31, 2022** **December 31, 2023** would have been reduced by approximately **\$1.46** **\$1.88** per share, compared to our reported **\$19.29** **\$25.83** per share on such date, and our book value as of **December 31, 2022** **December 31, 2023** would have been reduced by approximately **\$1.42** **\$1.88** per adjusted share, compared to our reported book value of **\$26.73** **\$30.95** per adjusted share on such date.

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### Carry Pool Allocation

With respect to our funds that provide for carried interest, we allocate a portion of the realized and unrealized carried interest that we earn to **a Associates Holdings, which we refer to as the carry pool, established at KKR Associates Holdings L.P., which is not a KKR subsidiary**, from which our asset management employees and certain other carry pool participants are eligible to receive a carried interest allocation. **The As of December 31, 2023, the** allocation is determined based upon a fixed arrangement between **KKR Associates Holdings** and us, and we do not exercise discretion on whether to make an allocation to the carry pool upon a realization event. **We refer to the portion of carried interest that we allocate to the carry pool as the carry pool percentage.** These amounts are accounted for as compensatory profit sharing arrangements in Accrued Expenses and Other Liabilities within the accompanying consolidated statements of financial condition in conjunction with the related carried interest income and are recorded as compensation expense. Upon a reversal of carried interest income, the related carry pool allocation, if any, is also reversed. Accordingly, such compensation expense is subject to both positive and negative adjustments.

**In February 2021, with** As of December 31, 2023, the carry pool percentage was fixed at 40%, 43% or 65% by investment fund, depending on the fund's vintage. For funds that closed after December 31, 2020 but before December 31, 2023, the carry pool percentage was fixed at 65%. For all funds that closed after June 30, 2017 but before December 31, 2020, the carry pool percentage was fixed at 43%, and the carry pool percentage was fixed at 40% for older funds that contributed to our carry pool. Effective January 2, 2024, we are authorized to apply a carry pool percentage in excess of these fixed percentages of up to 80% for all funds. As of the date of this filing, no carry pool percentage has been changed for our funds that have closed on or before December 31, 2023. This increase to the carry pool percentage was approved by a majority of our independent directors, and the carry pool percentage may not be increased above 80% without the further approval of a majority of our independent **directors, KKR amended the percentage directors.**

As disclosed above, we record compensation for our asset management employees in an amount that equates to 60-70% of realized carried interest **that is allocable and incentive fees which are not included in fee related performance revenues or earned from our hedge fund partnerships.** The amounts recorded as compensation for the year ended December 31, 2023 and certain prior periods are greater than the amounts allocated to the carry pool **to 65% for (i) current investment funds for which no or de minimis those**

periods. Any amounts of carried interest was accrued recorded as of December 31, 2020 and (ii) all future funds. For all other funds, compensation that are higher than the percentage of carried interest remains 40% or 43%, as applicable. The percentage of carried interest allocable to the carry pool may be increased above 65% only amounts allocated in accordance with the approval of a majority of our independent directors. To account for the difference in the carry pool allocation percentages we expect to use a portion of realized carried interest from the older funds equal to the difference between 65% and 40% or 43%, as applicable, to supplement the carry pool and to pay amounts as referenced above represent discretionary cash bonus compensation as described above to our asset management employees. The amounts paid as discretionary cash bonuses, if any, are at our discretion and vary from individual to individual and from period to period, including having no cash bonus at all for certain employees. See "—Revenues—Capital Allocation-Based Income (Loss)" and "—Compensation and Benefits" above.

On the Sunset Date (which will not be later than December 31, 2026), KKR will acquire control of KKR Associates Holdings and will commence making decisions regarding the allocation of the carry proceeds pursuant to the limited partnership agreement of KKR Associates Holdings. Until the Sunset Date, our Co-Founders will continue to make decisions regarding the allocation of the carry proceeds to themselves and others, pursuant to the limited partnership agreement of KKR Associates Holdings, provided that any allocation of carry proceeds to the Co-Founders will be on a percentage basis consistent with past practice. For additional information about the Sunset Date and the Reorganization Agreement, please see "Certain Relationships and Related Transactions, and Director Independence" Note 1 "Organization" in our financial statements included in this report.

#### Equity-based Compensation

In addition to the cash-based compensation and carry pool allocations as described above, employees receive equity awards under our Equity Incentive Plans, most of which are subject to service-based vesting typically over a three to five-year period from the date of grant, and some of which are also subject to the achievement of market-based conditions. Certain of these awards are subject to post-vesting transfer restrictions and minimum retained ownership requirements.

Compensation expense relating to the issuance of equity-based awards is measured at fair value on the grant date. In determining the aggregate fair value of any award grants, we make judgments as to the grant-date fair value, particularly for certain restricted units with a vesting condition based upon market conditions, whose grant date fair values are based on a probability distributed Monte-Carlo simulation. See Note 20 19 "Equity Based Compensation," in our financial statements included in this report for further discussion and activity of these awards.

#### Investment Income (Loss) -Net Gains (Losses) from Investment Activities

Net gains (losses) from investment activities consist of realized and unrealized gains and losses arising from our investment activities as well as income earned from certain equity method investments. Fluctuations in net gains (losses) from investment activities between reporting periods is driven primarily by changes in the fair value of our investment portfolio as well as the realization of investments. The fair value of, as well as the ability to recognize gains from, our investments is significantly impacted by the global financial markets, which, in turn, affects the net gains (losses) from investment activities recognized in any given period. Upon the disposition of an investment, previously recognized unrealized gains and losses are reversed and an offsetting realized gain or loss is recognized in the current period. Since our investments are carried at fair value, fluctuations between periods could be significant due to changes to the inputs to our valuation process over time. For a further discussion of our fair value measurements and fair value of investments, see the above "—Critical Accounting Policies and Estimates—Fair Value Measurements."

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### Critical Accounting Policies and Estimates – Insurance

#### Policy liabilities

Policy liabilities, (collectively, "reserves," or collectively, "reserves," are the portion of past premiums or assessments received that are set aside to meet future policy and contract obligations as they become due. Interest accrues on the reserves and on future premiums, which may also be available to pay for future obligations. Global Atlantic establishes reserves to pay future policy benefits, claims, and certain expenses for its life policies and annuity contracts.

Global Atlantic's reserves are estimated based on models that include many actuarial assumptions and projections. These assumptions and projections, which are inherently uncertain, involve significant judgment, including assumptions as to the levels and/or timing of premiums, benefits, claims, expenses, interest credits, investment results (including equity market returns), credit spreads, mortality, longevity, and persistency.

The assumptions on which reserves are based are intended to represent an estimation of experience for the period that policy benefits are payable. Global Atlantic reviews the adequacy of its reserves and the assumptions underlying those reserves at least annually. Global Atlantic cannot, however, determine with precision the amount or the timing of actual benefit payments. If actual experience is better than or equal to the assumptions, then reserves would be adequate to provide for future benefits and expenses. If experience is worse than the assumptions, additional reserves may be required to meet future policy and contract obligations. This would result in a charge to our Global Atlantic's net income during the period in which excess benefits are paid or an increase in reserves occurs.

For a majority of Global Atlantic's in-force policies, including its universal interest-sensitive life policies and most annuity contracts, the base policy reserve is equal to the account value. For these products, the account value represents its Global Atlantic's obligation to repay to the policyholder the amounts held with Global Atlantic on deposit. However, there are several significant blocks of business where policy reserves, in addition to the account value, are explicitly calculated, including variable annuities, fixed-indexed annuities, universal interest-sensitive life products (including those with secondary guarantees, indexed universal life guarantees), and preneed policies.

**Guaranteed** The critical accounting estimates and related sensitivities, reported below have been updated from those reported in the Annual Report to reflect the impact from the adoption of LDTI (see Note 2 "Summary of Significant Accounting Policies" in our financial statements included in this report.)

#### Market risk benefits

Market risk benefits are contracts or contract features that both provide protection to the policyholder from other-than-nominal capital market risk and expose Global Atlantic to other-than-nominal capital market risk. Market risk benefits include certain contract features on fixed annuity and variable annuity products, including minimum guarantees to policyholders, such as guaranteed minimum death benefits ("GMDB") (GMDBs), guaranteed minimum withdrawal benefits (GMWBs), and long-term care benefits (which are capped at the return of account value plus one or two times the account value).

Some of Global Atlantic's variable annuity and fixed-indexed annuity contracts contain a GMDB feature that provides a guarantee that the benefit received at death will be no less than a prescribed minimum amount, even if the account balance is reduced to zero. This amount is based on either the net deposits paid into the contract, the net deposits accumulated at a specified rate, the highest historical account value on a contract anniversary, or sometimes a combination of these values. If the GMDB is higher than the current account value at the time of death, Global Atlantic incurs a cost equal to the difference.

#### Guaranteed minimum withdrawal benefits ("GMWB")

Global Atlantic issues fixed-indexed annuity and variable annuity contracts with a guaranteed minimum withdrawal feature. GMWB are an optional benefit where the contract owner is entitled to withdraw a maximum amount of their benefit base each year.

Once exercised, living benefit features provide annuity policyholders with a minimum guaranteed stream of income for life. A policyholder's annual income benefit is generally based on an annual withdrawal percentage multiplied by the benefit base. The benefit base is defined in the policy and is generally the initial premium, reduced by any partial withdrawals and increased by a defined percentage, formula or index credits. Any living benefit payments are first deducted from the account value. Global Atlantic is responsible for paying any excess guaranteed living benefits still owed after the account value has reached zero.

The ultimate cost of these benefits will depend on the level of market returns and the level of contractual guarantees, as well as policyholder behavior, including surrenders, withdrawals, and benefit utilization. For Global Atlantic's fixed-indexed annuity products, costs also include certain non-guaranteed terms that impact the ultimate cost, such as caps on crediting rates that Global Atlantic can, in its discretion, reset annually.

See Note 17 — "Policy liabilities" in our financial statements for additional information.

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#### GMDB and GMWB sensitivities

As of December 31, 2022 December 31, 2023, the GMDB and GMWB net market risk liability balance totaled \$1.3 billion. \$1.1 billion. As of December 31, 2022 December 31, 2023, the liability balances for GMDB market risk benefits were \$36.0 million \$868.3 million for fixed-indexed annuities and \$33.8 million \$238.5 million for variable annuities. As of December 31, 2022, the liability balances for GMWB were \$1.2 billion for fixed-indexed and other annuities. The increase (decrease) to the GMDB and GMWB net market risk benefit liability balance as a result of hypothetical changes in projected assessments, interest rates, instrument-specific credit risk, equity market prices, expected mortality, and annual expected surrenders are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

|                                         | As of December 31, 2023 |            |
|-----------------------------------------|-------------------------|------------|
|                                         | Fixed-indexed annuity   | Other      |
| (\$ in thousands)                       |                         |            |
| Balance                                 | \$ 868,268              | \$ 238,469 |
| <b>Hypothetical change:</b>             |                         |            |
| +50 bps interest rates                  | (133,210)               | (52,782)   |
| -50 bps interest rates                  | 149,220                 | 58,690     |
| +50 bps instrument-specific credit risk | (127,981)               | (28,591)   |
| -50 bps instrument-specific credit risk | 142,883                 | 31,460     |
| +10% equity market prices               | (46,934)                | (53,674)   |
| -10% equity market prices               | 28,964                  | 60,217     |
| 95% of expected mortality               | 41,872                  | 7,144      |
| 105% of expected mortality              | (39,435)                | (6,395)    |
| 90% of expected surrenders              | 24,283                  | 3,721      |
| 110% of expected surrenders             | (23,102)                | (3,591)    |

Note: Hypothetical changes to the market risk benefits liability balance do not reflect the impact of related hedges.

#### Policy liabilities accounted for under a fair value option

Variable annuity contracts offered and assumed by Global Atlantic provide the contractholder with a GMDB. The liabilities for these benefits are included in policy liabilities. Global Atlantic elected the fair value option to measure the liability for certain of these variable annuity contracts valued at \$354.0 million as of December 31, 2023. Fair value is calculated as the present value of the estimated death benefits less the present value of the GMDB fees, using 1,000 risk neutral scenarios. Global Atlantic discounts the cash flows



using the U.S. Treasury rates plus an adjustment for instrument-specific credit risk in the consolidated statement of financial condition. The change in the liabilities for these benefits is included in policy benefits and claims in the consolidated statement of operations.

As of December 31, 2023, variable annuities accounted for using the fair value option totaled \$354.0 million. The increase (decrease) in the reserves for variable annuities accounted for using the fair value option as a result of hypothetical changes in interest rates, instrument-specific credit risk, equity growth is market prices, expected mortality, and expected surrenders are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

|                                                         | December 31, 2022 As of December |                                |
|---------------------------------------------------------|----------------------------------|--------------------------------|
|                                                         | 31, 2023                         |                                |
|                                                         | Variable annuities               |                                |
| (\$ in thousands)                                       |                                  |                                |
| Balance                                                 | \$                               | 1,252,206 354,001              |
| Hypothetical change:                                    |                                  |                                |
| +10% future assessments <sup>(1)</sup>                  | (27,887)                         | 50 bps interest rates (22,535) |
| -10% future assessments <sup>(1)</sup>                  | 31,696                           | -50 bps interest rates 24,425  |
| +50 bps instrument-specific credit risk                 |                                  | (15,046)                       |
| -50 bps instrument-specific credit risk                 |                                  | 15,613                         |
| +10% equity market prices                               | (18,298)                         | (17,354)                       |
| -10% equity market prices                               | 9,730                            | 20,139                         |
| 1% lower annual equity growth 95% of expected mortality | 4,918                            | (5,538)                        |
| 105% of expected mortality                              |                                  | 5,284                          |
| 90% of expected surrenders                              |                                  | 1,200                          |
| 110% of expected surrenders                             |                                  | (1,173)                        |

Note: Hypothetical changes to the liability balances do not reflect the impact of related hedges.

#### Liability for future policyholder benefits

A liability for future policy benefits, which is the present value of estimated future policy benefits to be paid to or on behalf of policyholders and certain related expenses less the present value of estimated future net premiums to be collected from policyholders, is accrued as premium revenue is recognized. The liability is estimated using current assumptions that include mortality, lapses, and expenses. These current assumptions are based on judgments that consider Global Atlantic's historical experience, industry data, and other factors, and are updated quarterly and the current period change in the liability is recognized as a separate component of benefit expense in the consolidated income statement.

As of December 31, 2023, the liability for future policy benefits totaled \$8.6 billion, net of reinsurance, split between \$8.2 billion associated with payout annuity products, and \$393.4 million of life and other insurance products. The increase (decrease) as a result of hypothetical changes in interest rates, credit spreads, expected mortality, and expected surrenders and lapses are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

|                                           | As of December 31, 2023 |                |
|-------------------------------------------|-------------------------|----------------|
|                                           | Payout annuities        | Life and other |
| (\$ in thousands)                         |                         |                |
| Balance                                   | \$ 8,156,842            | \$ 393,355     |
| <b>Hypothetical change:</b>               |                         |                |
| +50 bps interest rates                    | (149,006)               | (127,657)      |
| -50 bps interest rates                    | 160,612                 | 137,622        |
| +50 bps credit spreads                    | (121,028)               | (130,025)      |
| -50 bps credit spreads                    | 125,780                 | 135,004        |
| 95% of expected mortality <sup>(1)</sup>  | 54,650                  | 30,024         |
| 105% of expected mortality <sup>(1)</sup> | (51,862)                | (28,586)       |
| 90% of expected surrenders/lapses         | —                       | (2,209)        |
| 110% of expected surrenders/lapses        | —                       | 1,790          |

Note: Hypothetical changes to the liability for future policy benefits balance do not reflect the impact of related hedges.

(1) Includes decrements for terminations of disability insurance

Additional liability for annuitization, death, or other insurance benefits: no-lapse guarantees

Global Atlantic has in-force interest-sensitive life contracts where it provides a secondary guarantee to the policyholder. The assessments used policy can remain in-force, even if the base policy account value is zero, as long as contractual secondary guarantee requirements have been met. The primary risk to accrue liabilities Global Atlantic is that the premium collected under these policies, together with the investment return Global Atlantic earns on that premium, is ultimately insufficient to pay the policyholder's benefits and the expenses associated with issuing and administering these policies. Global Atlantic holds an additional reserve in connection with these guarantees.

The additional reserves related to interest-sensitive life products with secondary guarantees are generally calculated using methods similar to those described above under "Critical Accounting Policies and Estimates - Insurance—Policy liabilities—Market risk benefits." The costs related to these secondary guarantees are recognized over the life of the contracts through the accrual and subsequent release of a reserve which is revalued each period. The reserve is calculated based on investment yields, realized gains assessments, over a range of economic scenarios to incorporate the variability in the obligation that may occur under different environments. The change in the reserve is included in policy benefits and losses, rider charges, surrender charges, and asset-based fees, such claims in the consolidated statements of operations.

As of December 31, 2023, the interest-sensitive life additional liability balance totaled \$7.1 billion. The increase (decrease) to the interest-sensitive life additional liability balance, as a result of hypothetical changes in interest rates, equity market prices, annual equity growth, expected mortality, and expense fees, expected surrenders are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of the interest-sensitive life no-lapse guarantee liability balance.

|                               | As of December 31, 2023 |           |
|-------------------------------|-------------------------|-----------|
|                               | Interest-sensitive life |           |
| (\$ in thousands)             |                         |           |
| Balance                       | \$                      | 7,053,847 |
| <b>Hypothetical change:</b>   |                         |           |
| +50 bps interest rates        |                         | 520       |
| -50 bps interest rates        |                         | (521)     |
| +10% equity market prices     |                         | (637)     |
| -10% equity market prices     |                         | (1,094)   |
| 1% lower annual equity growth |                         | (3,478)   |
| 95% of expected mortality     |                         | (30,855)  |
| 105% of expected mortality    |                         | 30,464    |
| 90% of expected surrenders    |                         | 22,504    |
| 110% of expected surrenders   |                         | (21,422)  |

Note: Hypothetical changes to the interest-sensitive life additional liability for annuitization, death, or other insurance benefits balance do not reflect the impact of related hedges.

#### Embedded derivatives in policy liabilities and funds withheld

Global Atlantic's fixed-indexed annuity, variable annuity and indexed universal life products contain equity-indexed features, which are considered embedded derivatives and are required to be measured at fair value.

The Global Atlantic calculates the embedded derivative is calculated as the present value of future projected benefits in excess of the projected guaranteed benefits, using an option budget as the indexed account value growth rate. In addition, the fair value of the embedded derivative is reduced to reflect the instrument specific credit risk of non-performance on Global Atlantic's obligations obligation (i.e., Global Atlantic's own credit risk).

Changes in interest rates, future index credits, Global Atlantic's own instrument-specific credit risk, projected withdrawal and surrender activity, and mortality on fixed-indexed annuity and indexed universal interest-sensitive life contracts products can have a significant impact on the value of the embedded derivative.

#### Valuation of embedded derivatives – Fixed-indexed annuities

Fixed-indexed annuity contracts allow the policyholder to elect a fixed interest rate of return or a market indexed strategy where interest credited is based on the performance of an index, such as the S&P 500 Index, or other indexes. The market indexed strategy is an embedded derivative, similar to a call option. The fair value of the embedded derivative is computed as the present value of benefits attributable to the excess of the projected policy contract values over the projected minimum guaranteed contract values. The projections of policy contract values are based on assumptions for future policy growth, which include assumptions for expected index credits, future equity option costs, volatility, interest rates, and policyholder behavior. The projections of minimum guaranteed contract values include the same assumptions for policyholder behavior as are used to project policy contract values. The embedded derivative cash flows are discounted using a risk-free interest rate adjusted increased by a non-performance instrument-specific credit risk spread tied to Global Atlantic's own credit rating.

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#### Valuation of embedded derivatives – Indexed universal interest-sensitive life products

Indexed universal interest-sensitive life products allow a policyholder's account value to grow based on the performance of certain equity indexes, which result results in an embedded derivative similar to a call option. The embedded derivative related to the index is bifurcated from the host contract and measured at fair value. The valuation of the embedded derivative is the present value of future projected benefits in excess of the projected guaranteed benefits, using the option budget as the indexed account value growth rate and the guaranteed interest rate as the guaranteed account value growth rate. Present values are based on discount rate curves determined at the valuation date or issue date as well as assumed lapse and mortality rates. The discount rate equals the forecast treasury rate plus a non-performance increased by instrument-specific credit risk spread tied to

Global Atlantic's own credit rating. Changes in discount rates and other assumptions such as spreads and/or option budgets can have a substantial impact on the embedded derivative.

#### Valuation of embedded derivatives – Variable annuities

Variable annuity contracts offered and assumed by Global Atlantic provide the contractholder with GMDB and/or GMWB. The liabilities for these benefits are included in policy liabilities in the consolidated statement of financial condition. The change in the liabilities for these benefits is included in policy benefits and claims in the consolidated statements of operation.

Global Atlantic has issued variable annuity contracts with GMDB features. Global Atlantic elected the fair value option to measure the liability for certain of these variable annuity contracts, valued at \$394.6 million as of December 31, 2022. Fair value is calculated as the present value of the estimated death benefits less the present value of the GMDB fees, using 1,000 risk neutral scenarios. Global Atlantic discounts the cash flows using U.S. Treasury rates plus an adjustment for its own credit risk.

Global Atlantic also issues variable annuity contracts with a GMWB. The GMWB feature represents an embedded derivative. The embedded derivative is required to be bifurcated and measured at fair value. This liability is calculated as the present value of the excess GMWB claims less the present value of GMWB fees, using 1,000 risk neutral scenarios. Global Atlantic discounts the cash flows using U.S. Treasury rates plus an adjustment for its own company credit risk.

As of December 31, 2022, the embedded derivative liability balance totaled \$1.9 billion for fixed-indexed annuities, \$337.9 million for indexed universal life and \$2.3 million for variable annuities. As of December 31, 2022, variable annuities accounted for using the fair value option was \$394.6 million. The increase (decrease) to the embedded derivatives on fixed-indexed annuity, indexed universal life, and variable annuity products and the increase (decrease) in the reserves for variable annuities accounted for using the fair value option as a result of hypothetical changes in interest rates, non-performance risk premium, and equity market prices is summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

|                                     | As of December 31, 2022 |           |     |          |    |          |    |          |
|-------------------------------------|-------------------------|-----------|-----|----------|----|----------|----|----------|
|                                     | FIA                     |           | IUL |          | VA | VA (FVO) |    |          |
| (\$ in thousands)                   |                         |           |     |          |    |          |    |          |
| Balance                             | \$                      | 1,853,031 | \$  | 337,860  | \$ | 2,335    | \$ | 394,638  |
| <b>Hypothetical change:</b>         |                         |           |     |          |    |          |    |          |
| +50 bps interest rates              |                         | (44,023)  |     | (5,524)  |    | (38,491) |    | (20,995) |
| -50 bps interest rates              |                         | 46,270    |     | 4,122    |    | 47,277   |    | 22,609   |
| +50bps non-performance risk premium |                         | (44,023)  |     | (5,524)  |    | (15,142) |    | (13,534) |
| -50bps non-performance risk premium |                         | 46,270    |     | 4,122    |    | 18,599   |    | 14,575   |
| +10% equity market prices           |                         | 338,258   |     | 61,879   |    | (25,892) |    | (9,826)  |
| -10% equity market prices           |                         | (166,396) |     | (50,597) |    | 28,771   |    | 9,826    |

Note: Hypothetical changes to the liability balances do not reflect the impact of related hedges.

#### Valuation of embedded derivatives in modified coinsurance or funds withheld

Global Atlantic's reinsurance agreements include modified coinsurance and coinsurance with funds withheld arrangements that include terms that require payment by the ceding company of a principal amount plus a return that is based on a proportion of the ceding company's return on a designated portfolio of assets. Because the return on the funds withheld receivable or payable is not clearly and closely related to the host insurance contract, these contracts are deemed to contain embedded

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derivatives, which are measured at fair value. Global Atlantic is exposed to both the interest rate and credit risk of the assets. Changes in discount rates and other assumptions can have a significant impact on this embedded derivative. The fair value of the embedded derivatives is included in the funds withheld receivable at interest and funds withheld payable at interest line items on the consolidated statement of financial condition. The change in the fair value of the embedded derivatives is recorded in net investment-related gains (losses) in the consolidated statement of operations.

As of December 31, 2022 December 31, 2023, the embedded derivative liability balance totaled \$3.6 billion for modified coinsurance or funds withheld arrangements was a \$3,500 million net asset (\$12.8 million in funds withheld receivables at interest, fixed-indexed annuities, and \$(3,487.8) million in funds withheld payable at interest), \$458.3 million for interest-sensitive life. The increase (decrease) to the balance embedded derivatives on fixed-indexed annuity and indexed universal life as a result of hypothetical changes in interest rates, credit spreads, and interest rates is equity market prices are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other factors that assumptions used in or items considered in the measurement of such balances.

|                             | As of December 31, 2023 |                         |
|-----------------------------|-------------------------|-------------------------|
|                             | Fixed-indexed annuities | Interest sensitive life |
| (\$ in thousands)           |                         |                         |
| Balance                     | \$ 3,587,371            | \$ 458,302              |
| <b>Hypothetical change:</b> |                         |                         |
| +50 bps interest rates      | (67,424)                | (3,939)                 |

|                           |           |          |
|---------------------------|-----------|----------|
| -50 bps interest rates    | 71,503    | 4,106    |
| +50 bps credit spreads    | (85,038)  | (3,939)  |
| -50 bps credit spreads    | 88,802    | 4,106    |
| +10% equity market prices | 455,208   | 42,210   |
| -10% equity market prices | (376,313) | (87,422) |

Note: Hypothetical changes to the market risk benefits liability balance do not reflect the impact of related hedges.

As of December 31, 2023, the embedded derivative balance for modified coinsurance or funds withheld arrangements was a \$2.5 billion net asset (\$88.7 million in funds withheld receivables at interest, and \$(2.4) billion in funds withheld payable at interest). The increase (decrease) to the embedded derivatives on fixed-indexed annuity and interest-sensitive life products as a result of hypothetical changes in interest rates and investment credit spreads are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

|                             | As of December 31, 2022                                      |                                                           |
|-----------------------------|--------------------------------------------------------------|-----------------------------------------------------------|
|                             | Embedded derivative on funds withheld receivable at interest | Embedded derivative on funds withheld payable at interest |
| (\$ in thousands)           |                                                              |                                                           |
| Balance                     | \$ 12,785                                                    | \$ (3,487,766)                                            |
| <b>Hypothetical change:</b> |                                                              |                                                           |
| +50 bps credit spreads      | (41,714)                                                     | (781,981)                                                 |
| -50 bps credit spreads      | 41,714                                                       | 849,203                                                   |
| +50 bps interest rates      | (12,880)                                                     | (739,840)                                                 |
| -50 bps interest rates      | 18,078                                                       | 807,062                                                   |

|                                   | As of December 31, 2023                                      |                                                           |
|-----------------------------------|--------------------------------------------------------------|-----------------------------------------------------------|
|                                   | Embedded derivative on funds withheld receivable at interest | Embedded derivative on funds withheld payable at interest |
| (\$ in thousands)                 |                                                              |                                                           |
| Balance                           | \$ 88,661                                                    | \$ (2,447,303)                                            |
| <b>Hypothetical change:</b>       |                                                              |                                                           |
| +50 bps interest rates            | (16,738)                                                     | (1,014,317)                                               |
| -50 bps interest rates            | 22,577                                                       | 1,096,853                                                 |
| +50 bps investment credit spreads | (38,815)                                                     | (879,367)                                                 |
| -50 bps investment credit spreads | 38,815                                                       | 961,903                                                   |

Note: Hypothetical changes to the funds withheld receivable and payable embedded derivative balances do not reflect the impact of related hedges or trading assets which back the funds withheld at interest.

## Recently Issued Accounting Pronouncements

For a full discussion of recently issued accounting pronouncements, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.

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## ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposure to market risks primarily relates to movements in the fair value of investments, including the effect that those movements have on our management fees, carried interest, and net gains from investment activities. The fair value of investments may fluctuate in response to changes in the values of investments, foreign currency exchange rates, and interest rates. Additionally, interest rate movements can adversely impact the amount of interest income we receive on credit instruments bearing variable rates and could also impact the amount of interest that we pay on debt obligations bearing variable rates. Following our acquisition of Global Atlantic, we expect to be affected by market risks arising from Global Atlantic's business. Global Atlantic has material exposure to market volatility in interest rates, credit spreads, and equity prices through its insurance liabilities, many of which are structured to have exposure to market level changes, its investment portfolio and its hedge program. The quantitative information provided in this section was prepared using estimates and assumptions that management believes are appropriate. The actual impact of a hypothetical adverse movement in these risks could be materially different from the amounts shown below.

The Board of Directors is responsible for oversight and the overall governance of KKR. Our Board of Directors has five standing committees: an Audit Committee, a Risk Committee, a Conflicts Committee, a Nominating and Corporate Governance Committee and an Executive Committee. For further information about KKR & Co. Inc.'s Board of Directors or its committees, see "Part III—Item 10. Directors, Executive Officers and Corporate Governance—Board Committees."

## Management of Market Risk

## Asset Management

When we commit capital from our Principal Activities business line to investments or transactions, a balance sheet committee of senior employees, including our Co-Executive Chairmen, one of our Co-Chief Executive Officers, and the Chief Financial Officer, must approve the investment or transaction before it may be made. The committee has delegated authority to other senior employees to approve certain investments or transactions, subject to maximum commitment sizes or other limitations determined by the committee. In addition, this committee supervises activities governing KKR's capital structure, liquidity, and the composition of our balance sheet.

Certain securities transactions by our capital markets business are subject to risk tolerance limits, regulatory capital requirements, and the review and approval of one or more committees in compliance with rules applicable to broker-dealers pursuant to the Exchange Act. When our capital is committed to capital markets transactions after diligence is conducted, such transactions are subject to the review and approval of a capital markets underwriting committee. These transactions are also subject to risk tolerance limits. The risk tolerance limits establish the level of investment we may make in a single company or type of transaction, for example, and are designed to avoid undue concentration and risk exposure. Regulatory capital requirements also place limits on the size of securities underwritings the capital markets business can conduct based on quantitative measure of assets, liabilities, and certain off-balance-sheet items. Aggregate balance sheet risk and capital deployed for transactions are monitored on an ongoing basis by the balance sheet committee referenced above.

With respect to the funds and other investment vehicles through which we make investments for our fund investors, KKR manages risk by subjecting transactions to the review and approval of an applicable investment committee or portfolio manager; a portfolio management committee (or other designated senior employees) then regularly monitors these investments. Before making an investment, investment professionals endeavor to identify risks in due diligence, evaluating, among other things, business, financial, legal and regulatory issues, financial data, and other information relevant to a particular investment. An investment team presents the investment and its identified risks to an investment committee or a portfolio manager, which must approve each investment before it may be made. If an investment is made, a portfolio management committee (or other designated senior employees) is responsible for working with our investment professionals to monitor the investment on an ongoing basis.

## Insurance

The board of directors of TGAFG, which is the holding company for Global Atlantic, has established a risk committee that has primary oversight of market risk at Global Atlantic. This risk committee has adopted Global Atlantic's risk appetite principles that form the foundation of Global Atlantic's enterprise risk management program. The risk appetite principles include: (1) protect policyholders by seeking to maintain adequate capital and liquidity resources to honor its obligations to policyholders under situations reflecting stress scenarios calibrated to the worst modern economic cycles; (2) deliver value by remaining in a position of strength during periods of adverse market conditions, and (3) protect the franchise by identifying and cost-effectively managing risks that could adversely and materially impact franchise value. The Global Atlantic enterprise risk management program formalizes the review of financial and non-financial risks and establishes risk management controls. Global Atlantic monitors risks on an aggregate, legal entity and product basis, monitoring different factors, including financial and insurance, investment, hedge management, operational, and legal, compliance and regulatory risks to confirm that its risks remain within established risk limits and tolerances.

For a discussion of Global Atlantic's hedge program, see "—Insurance Segment Market Risks—Hedge Program."

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## Management of General Business Risk

### Asset Management

KKR has a risk and operations committee comprised of senior employees from across our Asset Management asset management business and operations, operating functions, and it includes our Chief Operating Financial Officer, Chief Financial Operating Officer, Chief Legal Officer and General Counsel, and Chief Compliance Officer, Officer, and other senior employees from KKR's asset management business and Global Atlantic. The risk and operations committee focuses on KKR's operations and enterprise risk management. This committee is aided by various other committees focused on the oversight of risks to our business, including a global conflicts and compliance committee. This committee focuses on the most significant operating and business risks, which includes, among others, regulatory, cyber, operational, geopolitical, and reputational risks.

KKR has a global conflicts and compliance committee comprised of senior employees from across our Asset Management asset management business and operations, and it includes, among others, our Chief Financial Officer, Chief Legal Officer and General Counsel, and Chief Compliance Officer. The global conflicts and compliance committee focuses on new or potential conflicts of interest that may arise in KKR's business, including, but not limited to, conflicts relating to specific transactions as well as potential conflicts involving the overall activities of KKR and its various businesses. This committee also reviews and monitors certain compliance matters.

KKR's technology and information security committee is responsible for reviewing and monitoring global technology risks including information security, business disruption and fraud related risks. For further information about this committee's role with respect to oversight of cybersecurity risks, see "Item 1C-Cybersecurity."

In addition, KKR has other committees comprised of senior employees across our Asset Management asset management business and operations that consider potential risks to our business.

### Insurance

The TGAFG board of directors is responsible for oversight and the overall governance of Global Atlantic's business and operations. The TGAFG board includes among its members one of our Co-Chief Executive Officers. To assist with its oversight of Global Atlantic, the TGAFG board of directors has established an audit, risk, investment, operations & technology, nominating & governance, compensation and special transaction review committee.

## Asset Management Segment Market Risks

The following is a discussion of the significant market risk exposures for KKR's **Asset Management** **asset management** business.

### Changes in Fair Value

The majority of our investments as of **December 31, 2022** **December 31, 2023**, are reported at fair value. Net changes in the fair value of investments impact the net gains (losses) from investment activities in our consolidated statements of operations. Based on investments held as of **December 31, 2022** **December 31, 2023**, we estimate that an immediate 10% decrease in the fair value of investments generally would result in a commensurate change in the amount of net gains (losses) from investment activities (except that carried interest would likely be more significantly impacted), regardless of whether the investment was valued using observable market prices or management estimates with significant unobservable pricing inputs. The impact that the consequential decrease in investment income would have on net income attributable to KKR & Co. Inc. would generally be significantly less than the amount described above, given that a significant portion of the change in fair value would be attributable to noncontrolling interests and therefore we are only impacted to the extent of our carried interest and our balance sheet investments and to a lesser extent our management fees. Because of this, the quantitative information that follows represents the impact that a reduction to each of the income streams shown below would have on net income attributable to KKR & Co. Inc. before income taxes. The actual impact to individual line items within the consolidated statements of operations would differ from the amounts shown below as a result of (i) the elimination of management fees and carried interest as a result of the consolidation of certain investment funds and CFEs and (ii) the gross-up of net gains (losses) from investment activities, in each case as a result of the consolidation of certain investment funds and CFEs.

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Based on the fair value of investments as of **December 31, 2022** **December 31, 2023**, we estimate that an immediate, hypothetical 10% decline in the fair value of investments would result in declines in net income attributable to KKR & Co. Inc. before income taxes in 2023 from reductions in the following items, if not offset by other factors:

|                                                                      | Management Fees   |                       | Carried Interest, Net of Carry Pool Allocation |                        | Net Gains/(Losses) From Investment Activities Including General Partner Capital Interest |                          |
|----------------------------------------------------------------------|-------------------|-----------------------|------------------------------------------------|------------------------|------------------------------------------------------------------------------------------|--------------------------|
|                                                                      | (\$ in thousands) |                       |                                                |                        |                                                                                          |                          |
| Hypothetical 10% Decline in Fair Value of Investments <sup>(1)</sup> | \$                | 43,743 <sup>(2)</sup> | \$                                             | 714,236 <sup>(3)</sup> | \$                                                                                       | 1,757,368 <sup>(3)</sup> |

|                                                                      | December 31, 2023 |                       |                                                |                          |
|----------------------------------------------------------------------|-------------------|-----------------------|------------------------------------------------|--------------------------|
|                                                                      | Management Fees   |                       | Carried Interest, Net of Carry Pool Allocation |                          |
|                                                                      |                   |                       | General Partner Capital Interest               |                          |
|                                                                      | (\$ in thousands) |                       |                                                |                          |
| Hypothetical 10% Decline in Fair Value of Investments <sup>(1)</sup> | \$                | 50,011 <sup>(2)</sup> | \$                                             | 902,575 <sup>(3)</sup>   |
|                                                                      | \$                |                       | \$                                             | 1,831,293 <sup>(3)</sup> |

(1) An immediate, hypothetical 10% decline in the fair value of investments would also impact our ability to earn incentive fees. Since the majority of our incentive fees are not subject to clawback, a 10% decline in fair value would generally result in the recognition of no incentive fees on a prospective basis and result in lower net income relative to prior years where such incentive fees may have been earned.

(2) Represents an annualized reduction in management fees.

(3) Decrease would impact our statement of operations in a single quarter. With respect to carried interest, for purposes of this analysis the impact of preferred returns are ignored.

### Management Fees

Our management fees in our Private Equity and Real Assets business lines are generally calculated based on the amount of capital committed or invested by a fund, as described under "**Business**" "**Business**"—Our Business—Private Equity" and "**Business**" "**Business**"—Our Business—Real Assets." Accordingly, movements in the fair value of investments do not significantly affect the amount of fees we may charge in Private Equity and Real Assets funds. Management fees in our infrastructure funds are calculated based on the NAV of the fund and, in some cases, we additionally earn management fees on the fund's remaining commitment.

In the case of our Credit and Liquid Strategies business line, management fees are often calculated based on the average NAV of the fund for that particular period, although certain funds in our Credit and Liquid Strategies business line have management fees based on the amount of capital invested. In the case of our CLO vehicles, management fees are calculated based on the collateral of the vehicle. The collateral is based on the par value of the investments and cash on hand.



To the extent that management fees are calculated based on the NAV of the fund's investments, the amount of fees that we may charge will increase or decrease in direct proportion to the effect of changes in the fair value of the fund's investments. The proportion of our management fees that are based on NAV depends on the number and type of funds in existence. For the year ended **December 31, 2022** **December 31, 2023**, the fund management fees that were recognized based on the NAV of the applicable funds was approximately 17%.

#### Publicly Traded Securities

Our investment **funds vehicles** and KKR's balance sheet, **including through its principal activities business line**, hold certain investments in **portfolio** companies whose securities are publicly traded. The market prices of securities may be volatile and are likely to fluctuate due to a number of factors beyond our control. These factors include actual or anticipated fluctuations in the quarterly and annual results of such companies or of other companies in the industries in which they operate, market perceptions concerning the availability of additional securities for sale, general economic, social or political developments, industry conditions, changes in government regulation, shortfalls in operating results from levels forecasted by securities analysts, the general state of the securities markets and other material events, such as significant management changes, re-financings, acquisitions, and dispositions. In addition, although a substantial portion of our investments are comprised of investments in portfolio companies whose securities are not publicly traded, the value of these privately held investments may also fluctuate as our Level III investments are valued in part using a market comparables analysis. Consequently, due to similar factors beyond our control as described above for portfolio companies whose securities are publicly traded, the value of these Level III investments may fluctuate with market prices. See **the "Risk Factors" section of this report and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Environment."**

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#### Exchange Rate Risk

Our investment **funds, CLO** vehicles and KKR's balance sheet hold investments denominated in currencies other than the U.S. dollar. Those investments expose us and our fund investors to the risk that the value of the investments will be affected by changes in exchange rates between the currency in which the investments are denominated and the currency in which the investments are made. Additionally, a portion of our management fees are denominated in non-U.S. dollar currencies. Our policy is to **generally** reduce these risks by employing hedging techniques, including using foreign currency options and foreign exchange forward contracts to reduce exposure to future changes in exchange rates when a meaningful amount of capital has been invested in currencies other than the currencies in which the investments are denominated.

Our primary exposure to exchange rate risk relates to movements in the value of exchange rates between the U.S. dollar and other currencies in which our investments are denominated (including euros, British pounds, Japanese yen, among others), net of the impact of foreign exchange hedging strategies. The quantitative information that follows represents the impact that a reduction to each of the income streams shown below would have on net income attributable to KKR & Co. Inc. before income taxes. The actual impact to individual line items within the statements of operations would differ from the amounts shown below as a result of (i) the elimination of carried interest as a result of the consolidation of certain investment funds and (ii) the gross-up of net gains (losses) from investment activities, in each case as a result of the consolidation of certain investment funds and CLO vehicles.

We estimate that an immediate, hypothetical 10% decline in the exchange rates between the U.S. dollar and all of the major foreign currencies in which our investments were denominated as of **December 31, 2022** **December 31, 2023** (i.e., an increase in the value of the U.S. dollar against these foreign currencies) would result in declines in net income attributable to KKR & Co. Inc. before income taxes in 2023 from reductions in the following items, net of the impact of foreign exchange hedging strategies, if not offset by other factors:

|                                                                                       | Carried Interest, Net of Carry Pool<br>Allocation | Net Gains/(Losses) From Investment<br>Activities Including General Partner<br>Capital Interest |
|---------------------------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------|
|                                                                                       | (\$ in thousands)                                 |                                                                                                |
| Hypothetical 10% Decline in Foreign Currencies Against the U.S. Dollar <sup>(1)</sup> | \$ 110,914 <sup>(2)</sup>                         | \$ 231,732 <sup>(2)</sup>                                                                      |

|                                                                                       | December 31, 2023                                 |                                                                                                   |
|---------------------------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------------------------------------------|
|                                                                                       | Carried Interest, Net of<br>Carry Pool Allocation | Net Gains/(Losses) From<br>Investment Activities<br>Including General Partner<br>Capital Interest |
|                                                                                       | (\$ in thousands)                                 |                                                                                                   |
| Hypothetical 10% Decline in Foreign Currencies Against the U.S. Dollar <sup>(1)</sup> | \$ 188,785 <sup>(2)</sup>                         | \$ 379,599 <sup>(2)</sup>                                                                         |

(1) An immediate, hypothetical 10% decline in exchange rates between the U.S. dollar and all of the major foreign currencies in which our investments were denominated would not be expected to materially impact our management fees or incentive fees. The majority of our funds in which we are entitled to earn incentive fees are denominated in U.S. dollars. Additionally, our management fees that are denominated in non-U.S. dollar currencies are generally hedged.

(2) Decrease would impact our statement of operations in a single quarter. With respect to carried interest, for purposes of this analysis the impact of preferred returns are ignored.

## Interest Rate Risk

### Valuation of Investments

Changes in credit markets and in particular, interest rates, can impact investment valuations, particularly our Level III investments, and may have offsetting results depending on the valuation methodology used. For example, we typically use a discounted cash flow analysis as one of the methodologies to ascertain the fair value of our investments that do not have readily observable market prices. If applicable interest rates rise, then the assumed cost of capital for those portfolio companies would be expected to increase under the discounted cash flow analysis, and this effect would negatively impact their valuations if not offset by other factors. Conversely, a fall in interest rates can positively impact valuations of certain portfolio companies if not offset by other factors. These impacts could be substantial depending upon the magnitude of the change in interest rates. In certain cases, the valuations obtained from the discounted cash flow analysis and the other primary methodology we use, the market multiples approach, may yield different and offsetting results. For example, the positive impact of falling interest rates on discounted cash flow valuations may offset the negative impact of the market multiples valuation approach and may result in less of a decline in value than for those investments that had a readily observable market price. Finally, low interest rates related to monetary stimulus and economic stagnation may also negatively impact expected returns on all investments, as the demand for relatively higher return assets increases and supply decreases.

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### Interest Income

We and certain consolidated funds, investment vehicles, including CLOs, hold credit investments that generate interest income based on variable interest rates. We are exposed to interest rate risk relating to investments that generate yield since a meaningful portion of credit investments held by us and our consolidated funds, investment vehicles, including CLOs, earn income based on variable interest rates. The impact on net income attributable to KKR & Co. Inc. resulting from a decrease of a hypothetical 100 basis points in variable interest rates used in the recognition of interest income would not be expected to be material since a substantial portion of this decrease would be attributable to noncontrolling interests and CLO third party noteholders.

### Interest Expense

We and certain consolidated funds, investment vehicles, including CLOs, have debt obligations that include revolving credit agreements, certain investment financing arrangements and debt securities issued by CLO vehicles that accrue interest at variable rates. Changes in these rates would affect the amount of interest payments that our consolidated funds, investment vehicles, including CLOs, would have to make. With respect to consolidated funds, investment vehicles and CLOs, the impact on net income attributable to KKR & Co. Inc. resulting from an increase of a hypothetical 100 basis points in variable interest rates used in the recognition of interest expense would not be expected to be material since a substantial portion of this increase would be attributable to noncontrolling interests and third party CLO noteholders. With respect to debt obligations held by KKR and not in the consolidated funds, investment vehicles or CLOs, as of December 31, 2022 December 31, 2023, KKR had debt obligations outstanding with an aggregate principal amount of approximately \$258.5 million \$258.5 million that accrues interest at a variable rate. Our policy is to reduce these risks by employing hedging techniques, including using interest rate swaps. The impact on net income attributable to KKR & Co. Inc. resulting from an increase of a hypothetical 100 basis points in variable interest rates used in the recognition of interest expense, net of the impact of interest rate hedging strategies, would not be expected to be material.

## Credit Risk

We are party to agreements providing for various financial services and transactions that contain an element of risk in the event that the counterparties are unable to meet the terms of such agreements. In these agreements, we depend on these counterparties to make payment or otherwise perform. We generally endeavor to reduce our risk of exposure by limiting the counterparties with which we enter into financial transactions to reputable financial institutions. In addition, availability of financing from financial institutions may be uncertain due to market events, and we may not be able to access these financing markets.

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## Insurance Segment Market Risks

The following is a discussion of the significant market risk exposures for our insurance business conducted through Global Atlantic.

### Hedge Program

To manage market risk, Global Atlantic established a hedge program that seeks to mitigate economic impacts primarily from interest rate and equity price movements, while taking into consideration accounting and capital impacts. For Global Atlantic's fixed-indexed annuity and indexed universal interest-sensitive life policies, Global Atlantic generally seeks to use static hedges to offset the exposure primarily created by changes in embedded derivative balances. For Global Atlantic's variable annuity policies, Global Atlantic

generally seeks to dynamically hedge its exposure to changes in the value of the guarantee Global Atlantic provides to policyholders. In the context of specific reinsurance or other transactions in Global Atlantic's institutional channel or strategic acquisitions, Global Atlantic may also **enters enter** into hedges which are designed to limit short-term market risks to the economic value of the target assets. From time to time, Global Atlantic also enters into hedges designed to limit the volatility associated with changes in the value of its general account assets or changes to net investment income as a result of interest rate or credit spread movements, while also taking into consideration economic impacts. While not the primary focus of its hedging strategy, Global Atlantic also enters into currency swaps and forwards to manage foreign exchange rate risks with respect to certain investments denominated in foreign currencies. Global Atlantic also enters into inflation swaps to manage inflation risk associated with inflation-indexed preneed policies. Where Global Atlantic has derivative instruments that are designated and qualify as accounting hedges, these derivative instruments receive hedge accounting.

Global Atlantic's hedge program is not designed to, and may not be effective in, offsetting all impacts to net income, assets under management, statutory capital or economic values. Movements in market variables other than interest rates and equity market prices that are not explicitly hedged can also cause net income volatility. See "Risk Factors—Risks Related to **Global Atlantic—Business Risks Related to Global Atlantic—Global Atlantic's use Our Insurance Activities—Volatile market and economic conditions, including sustained periods of derivative financial instruments within its risk management strategy low interest rates, a sustained increase in interest rates and other interest rate fluctuations, may not be effective or sufficient." adversely affect our insurance business**" and "Risk Factors—Risks Related to **Global Atlantic—Business Risks Related to Global Atlantic—Global Atlantic Our Business—Risk management activities may experience volatility in its net income under GAAP due to its funds withheld coinsurance transactions**" in this report. **not be effective and, consequently, may adversely affect us."**

## Sensitivities

Global Atlantic evaluates the sensitivity of net income to specific changes in interest rates, credit spreads and equity prices projected using internal models. All of the estimated sensitivities assume that all other factors remain constant and reflect the impact of related hedges assuming no hedge rebalancing in Global Atlantic's dynamic program, as explained further below.

Global Atlantic's internal models project impacts as of a specific date, and are measured relative to a starting level reflecting its assets and liabilities at that date and the actuarial factors, investment activity, and assumed investment returns associated with insurance liabilities. The models measure the impact of changing one factor at a time and assume that all other factors remain unchanged. Actual results can differ significantly from these estimates for a variety of reasons, including the interaction among these factors when more than one changes, discretionary actions by management in response to such changes, differences between the return of the underlying fund and the return on the index being hedged, actual experience differing from the assumptions, changes in business mix, effective tax rates and other market factors, and limitations inherent in the use of models. For these reasons, the sensitivities should only be viewed as directional estimates of the impacts on Global Atlantic's net income and shareholders' equity, excluding accumulated other comprehensive income ("AOCI"), and actual changes in response to such scenarios may differ materially from estimates provided.

For the dynamic portion of the hedge program, Global Atlantic primarily uses interest rate and equity futures to hedge liabilities which have option-like embedded derivatives. As such, Global Atlantic's program requires frequent rebalancing as markets move to ensure that the hedges are being re-sized to the new liability exposure. In addition, certain of the underlying variable annuity separate account funds are managed volatility funds, so Global Atlantic's market exposures may change substantially after sharp market moves. The point-in-time estimates provided in this section assume no hedge rebalancing and, as such, the impact on Global Atlantic's consolidated net income may be different from what is shown below.

## Interest rate risk

Global Atlantic is exposed to interest rate risk as a result of changes in the level and volatility of interest rates. Changes in the level and volatility of interest rates primarily impacts the fair value reported in our consolidated financial statements of the following:

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- embedded derivatives associated with modified coinsurance and coinsurance with funds withheld payables or receivables;
- embedded derivatives associated with variable annuities, fixed-indexed annuities and **indexed universal interest sensitive** life products;
- policy liabilities accounted under the fair value option,
- **market risk benefits**, and
- financial instruments held in Global Atlantic's investment portfolio and used in its hedge program.

Changes in fair value of the foregoing are generally recorded as gains or losses in the consolidated statement of **operations, or in the statement of comprehensive income for unrealized gains and losses on available for sale securities, operations**. For specific derivatives designated as cash flow hedges of forecasted bond purchases and receiving hedge accounting treatment, gains or losses are recorded in accumulated other comprehensive income and reclassified to net investment income following the qualifying purchases of available-for-sale securities, as an adjustment to the yield earned over the life of the purchased securities, using the effective interest method.

Due to the dynamic lapse sensitivities within Global Atlantic's models, market volatility in interest rates also impacts the reserves and deferred acquisition costs of certain fixed annuity products, changes in which are recorded in the consolidated statement of operations.

In periods following interest rate moves, Global Atlantic will also recognize a change in the income earned on certain of its floating-rate assets and the cost of funding on certain of Global Atlantic's liabilities recorded in the consolidated statement of operations.

### *Effect of interest rate sensitivity*

December 31, 2022 December 31, 2023 to its net income and shareholders' equity, excluding AOCI. These sensitivities include the impact of related hedges and adjustments to DAC attributable to interest rate changes.

| (\$ in thousands)                                                                                              | (\$ in thousands)                                                                                              |    |         |             |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----|---------|-------------|
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time)                 | Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time)                 | \$ | 214,931 | \$(225,368) |
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time)                 | Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time)                 |    |         |             |
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (over 12 months) <sup>(2)</sup> | Total estimated net income and shareholders' equity excluding AOCI sensitivity (over 12 months) <sup>(2)</sup> |    | 54,215  | \$(54,215)  |

(1) The point in time and over 12 months total estimated impacts reflect the impact of hedges within Global Atlantic's liability hedging program, as well as hedges designed to limit surplus volatility resulting from interest rate movements.

(2) Excludes point in time impact. Estimated sensitivity to a hypothetical change over 12 months does not take into account any management actions that may be taken to mitigate actual impacts.

The estimated point in time impact is driven by a net decrease/(increase) in the value of (i) the embedded derivatives associated with Global Atlantic's modified coinsurance and coinsurance with funds heldwith payables and receivables, and(ii) the embedded derivatives associated with its variable annuity, fixed-indexed annuity, and indexed universal interest sensitive life products, and variable annuities accounted for under the fair value option, (iii) market risk benefits, and (iv) the remeasurement gain/loss of the liability for future policy benefits. These are largely offset by a loss/(gain) in financial instruments used in its Global Atlantic's hedging program, investments classified as trading, and loans designated under the fair value option, based on balances in place at quarter as of year end. These estimated changes include the impact of related amortization of deferred revenue and expenses and related income tax impacts. In addition, the point in time impact includes a decrease/(increase) in the value of the reserve and (decrease)/increase in the deferred acquisition cost balance of certain fixed annuity blocks of business due to the dynamic lapse sensitivities within Global Atlantic's models.

The impact over 12 months is driven by an increase/(decrease) in the income earned on Global Atlantic's floating rate assets, and partially offset by an increase/(decrease) in the cost of its floating-rate liabilities.

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In the table below we estimate Global Atlantic estimates the impact of a 50 basis point increase/(decrease) in interest rates, for a parallel shift in the yield curve, from levels as of December 31, 2022 December 31, 2023 to Global Atlantic's AOCI.

|                                                  |                                                  | December 31, 2022   |                  |
|--------------------------------------------------|--------------------------------------------------|---------------------|------------------|
|                                                  |                                                  | Hypothetical change |                  |
|                                                  |                                                  | +50 Basis points    | -50 Basis points |
|                                                  |                                                  | points              |                  |
|                                                  |                                                  | December 31, 2023   |                  |
|                                                  |                                                  | Hypothetical change |                  |
|                                                  |                                                  | +50 Basis points    | -50 Basis points |
|                                                  |                                                  | points              |                  |
|                                                  |                                                  | December 31, 2023   |                  |
|                                                  |                                                  | Hypothetical change |                  |
|                                                  |                                                  | +50 Basis points    | -50 Basis points |
|                                                  |                                                  | points              |                  |
| (\$ in thousands)                                | (\$ in thousands)                                |                     |                  |
| Total estimated AOCI sensitivity (point in time) | Total estimated AOCI sensitivity (point in time) | \$ (1,276,273)      | \$ 1,351,119     |
| Total estimated AOCI sensitivity (point in time) | Total estimated AOCI sensitivity (point in time) |                     |                  |
| Total estimated AOCI sensitivity (point in time) | Total estimated AOCI sensitivity (point in time) |                     |                  |

The estimated point in time impact is primarily driven by a (i) net (decrease)/increase in the value of Global Atlantic's available-for-sale fixed maturity securities which are carried at fair value with unrealized gains and losses, net (ii) the effect of certain offsets, changes in the discount rates used to measure traditional and limited-payment long duration insurance contracts, and (iii) the effect on additional insurance liabilities when unrealized gains and losses are included in the investment margin while calculating the present value of expected assessments for the benefit ratio; all of which are reported in AOCI. The estimated changes include the impact of related amortization of deferred revenue and expenses and related income tax impacts.

#### Credit spread risk

Global Atlantic is exposed to credit spread risk as a result of changes in the spread between the yields on its funds withheld payables and receivables at interest and yields on comparable U.S. Treasury securities. Global Atlantic's reinsurance agreements include modified coinsurance and funds withheld coinsurance arrangements. Such arrangements are deemed to contain embedded derivatives, which are measured at fair value, and are therefore impacted by the mark-to-market value of the related assets. Changes in the credit spreads associated with the assets impact the mark-to-market value of the assets. There is additional instrument-specific credit spread risk exposure inherent in Global Atlantic's own credit spread used in valuing embedded derivative liabilities, which serves to mitigate net credit exposure. Global Atlantic may choose to enter into hedge positions to manage credit spread risk. As of December 31, 2022 December 31, 2023, Global Atlantic had a \$929 \$600 thousand credit derivative position.

#### Effect of credit spread sensitivity

In the table below, Global Atlantic estimates the impact of a 50 basis points increase/(decrease) in credit spreads from levels as of December 31, 2022 December 31, 2023 to its net income and shareholders' equity, excluding AOCI. These estimated changes include the impact of related amortization of deferred revenues and expenses and related income tax impacts and include impacts on our own instrument-specific credit spread risk used in valuing embedded derivative liabilities.

|  |  | December 31, 2022   |                  |
|--|--|---------------------|------------------|
|  |  | Hypothetical change |                  |
|  |  | +50 Basis points    | -50 Basis points |
|  |  | points              |                  |
|  |  | December 31, 2023   |                  |
|  |  | December 31, 2023   |                  |

|                                                                                                |                                                                                                | Hypothetical change |         | Hypothetical change |  |
|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|---------------------|---------|---------------------|--|
|                                                                                                |                                                                                                | +50 Basis points    |         | -50 Basis points    |  |
| (\$ in thousands)                                                                              | (\$ in thousands)                                                                              |                     |         |                     |  |
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time) | Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time) | \$                  | 236,276 | \$(250,355)         |  |
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time) | Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time) |                     |         |                     |  |

In the table below Global Atlantic estimates the impact of a 50 basis point increase/(decrease) in instrument-specific credit risk on market risk benefits, for a parallel shift in the yield curve, from levels as of December 31, 2023 to its AOCI.

|                                                  |  | December 31, 2023   |                  |
|--------------------------------------------------|--|---------------------|------------------|
|                                                  |  | Hypothetical change |                  |
|                                                  |  | +50 Basis points    | -50 Basis points |
| (\$ in thousands)                                |  |                     |                  |
| Total estimated AOCI sensitivity (point in time) |  | \$ 123,692          | \$(137,731)      |

The estimated point in time impact is driven primarily by the effect of changes in the fair value of a market risk benefit attributable to a change in the instrument-specific credit risk. The estimated changes include the related income tax impacts.

### Equity price risk

Global Atlantic is exposed to equity price risk as a result of changes in the level and volatility of equity prices.

Changes in the level and volatility of equity prices primarily impacts the fair value reported in the consolidated financial statements of the following:

- embedded derivatives and policy liabilities market risk benefits associated with Global Atlantic's variable annuities, fixed-indexed annuities and indexed universal life interest sensitive products;
- financial instruments held in Global Atlantic's investment portfolio and used in its hedge program; and
- certain of Global Atlantic's alternative assets.

Changes in fair value of the foregoing are recorded as gains or losses in our consolidated statements of operations.

In addition, certain of the fees Global Atlantic earns and benefits Global Atlantic pays in its variable annuity and variable universal life blocks are calculated on the account values, which are exposed to equity price risk. These changes impact our net income over the periods following equity price moves.

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Effect of equity price sensitivity



In the table below, Global Atlantic estimates the impact of a 10% increase/(decrease) in equity prices from levels as of **December 31, 2022** **December 31, 2023** to its net income and shareholders' equity, excluding AOCI. These sensitivities include the impact of related hedges but exclude the potential impact of alternative assets, because the fair value of these investments do not necessarily move directly in line with movements in public equity markets.

|                                                                                                                |                                                                                                                | December 31, 2022                  |                                    |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
|                                                                                                                |                                                                                                                | Hypothetical change <sup>(1)</sup> |                                    |
|                                                                                                                |                                                                                                                | +10% Equity Prices                 | -10% Equity Prices                 |
|                                                                                                                |                                                                                                                | December 31, 2023                  | December 31, 2023                  |
|                                                                                                                |                                                                                                                | Hypothetical change <sup>(1)</sup> | Hypothetical change <sup>(1)</sup> |
|                                                                                                                |                                                                                                                | +10% Equity Prices                 | -10% Equity Prices                 |
| (\$ in thousands)                                                                                              | (\$ in thousands)                                                                                              |                                    |                                    |
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time)                 | Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time)                 | \$ (24,425)                        | \$ 40,929                          |
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time)                 |                                                                                                                |                                    |                                    |
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (point in time)                 |                                                                                                                |                                    |                                    |
| Total estimated net income and shareholders' equity excluding AOCI sensitivity (over 12 months) <sup>(2)</sup> | Total estimated net income and shareholders' equity excluding AOCI sensitivity (over 12 months) <sup>(2)</sup> | 4,442                              | (4,834)                            |

(1) From time to time, Global Atlantic may choose to enter into additional hedges to mitigate economic exposure to equity markets.

(2) Excludes point in time impact. Estimated sensitivity to a hypothetical change over 12 months does not take into account any management actions that may be taken to mitigate actual impacts.

The estimated point-in-time impact is driven by an increase/(decrease) in the value of (i) the embedded derivatives associated with Global Atlantic's fixed-indexed annuity and indexed universal interest sensitive life products, and largely offset by a decrease / (increase) in Global Atlantic's (ii) its variable annuity embedded derivatives, and policy (iii) market risk benefits, and (iv) a gains or losses on (losses) in financial instruments used in Global Atlantic's its hedging program. program based on balances in place at year-end. These estimated changes include the impact of related amortization of deferred revenue and expenses and related income tax impacts.

For a discussion of current market conditions, see "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Environment."

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## ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

### INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

|                                                                                                                                         |         |
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| Report of Independent Registered Public Accounting Firm                                                                                 | 221 225 |
| Consolidated Statements of Financial Condition as of December 31, 2022 December 31, 2023 and 2021 2022                                  | 224 239 |
| Consolidated Statements of Operations for the Years Ended December 31, 2022 December 31, 2023, 2021 2022 and 2020 2021                  | 228 233 |
| Consolidated Statements of Comprehensive Income (Loss) for the Years Ended December 31, 2022 December 31, 2023, 2021 2022 and 2020 2021 | 230 235 |
| Consolidated Statements of Changes in Equity for the Years Ended December 31, 2022 December 31, 2023, 2021 2022 and 2020 2021           | 231 236 |
| Consolidated Statements of Cash Flows for the Years Ended December 31, 2022 December 31, 2023, 2021 2022 and 2020 2021                  | 234 239 |
| Notes to Consolidated Financial Statements                                                                                              | 237 242 |

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### REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of KKR & Co. Inc.:

#### Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated statement of financial condition of KKR & Co. Inc. and its subsidiaries (the "Company") as of December 31, 2022 December 31, 2023 and 2021, 2022, the related consolidated statements of operations, comprehensive income (loss), changes in equity, and cash flows for each of the three years in the period ended December 31, 2022 December 31, 2023, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2022 December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 December 31, 2023 and 2021, 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022 December 31, 2023, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022 December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

#### Accounting Pronouncement Recently Adopted

As discussed in Note 2 to the financial statements, effective January 1, 2023, the Company adopted Accounting Standards Update (ASU) 2018-12, Financial Services — Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts, with retrospective application to February 1, 2021. The adoption of ASU 2018-12 is also communicated as a critical audit matter below.

#### Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

#### Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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## Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

### **Fair Value—Level III Investments—Refer to Notes 2, 8, 7, and 109 to the financial statements**

#### *Critical Audit Matter Description*

KKR & Co. Inc. and the funds it sponsors and manages have certain investments measured at fair value **that are based on using** unobservable pricing inputs and are classified as Level III Investments. These Level III investments have limited observable market activity and the inputs used in the determination of fair value require significant management judgment or estimation.

In addition, the Company recognizes carried interest from vehicles and accounts that are advised, sponsored or managed by one or more of its subsidiaries ("investment funds") based on cumulative fund performance to date. At the end of each reporting period, the Company calculates the carried interest that would be due to the Company for each investment fund, pursuant to the **investment** fund agreements. Certain of the investment funds' investments are **valued using unobservable inputs and thus are** classified as **level Level III** in the fair value **hierarchy because they are valued using unobservable inputs, hierarchy**. The change in the fair value of the underlying Level III Investments held by the investment funds is a significant input into the determination of carried interest for each reporting period. As the fair value of underlying investments varies between reporting periods, it is necessary to adjust the amounts recorded as carried interest. Accrued but unpaid carried interest as of the reporting date is reflected in investments in the consolidated statements of financial condition.

We identified certain Level III Investments as a critical audit matter because of the unobservable pricing inputs management used to estimate fair value, and changes in the fair value of these investments directly impacts the amount of unrealized carried interest the Company accrues for the period as well as unrealized investment income recorded during the period.

Performing audit procedures to evaluate the appropriateness of these inputs required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists who possess significant investment valuation expertise.

#### *How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the unobservable pricing inputs used by management to estimate the fair values of Level III Investments included the following, among others:

- We involved more senior, more experienced audit team members to perform audit procedures.
- We tested the **design, implementation, and operating** effectiveness of controls over the determination of the fair value of Level III Investments.
- With the assistance of our fair value specialists, we evaluated management's process for Level III Investments valuation, including their determination of the unobservable pricing inputs used to estimate fair value.
- We assessed the consistency by which management applied its process.
- We evaluated the Company's historical ability to accurately estimate fair value of Level III Investments by comparing previous estimates of fair value to market transactions with third parties.

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**Policy Liabilities — Valuation of Policy Liabilities Associated with the Fixed-Indexed Annuity product — Refer to Notes 2, 8, 9, 10, and 17 to the financial statements**

*Critical Audit Matter Description*

**Global Atlantic's**

The Company's products include the fixed-indexed annuity product, which contains equity indexed features that are considered embedded derivatives and are required to be measured at fair value. Management's estimate of embedded derivative liabilities in policy liabilities for fixed-indexed annuities was \$1.9 billion as of December 31, 2022. In addition, certain fixed-indexed annuity contracts are issued with guaranteed minimum withdrawal benefits guarantees, which are considered Market Risk Benefits ("GMWBs" MRBs). Management's estimate of GMWB policy liabilities for fixed-indexed annuities was \$1.2 billion as of December 31, 2022.

Management applies significant judgment in selecting assumptions used to estimate the value of embedded derivative liabilities and GMWB policy liabilities MRBs associated with the fixed-indexed annuity product. Changes in market conditions or variations in certain assumptions could result in significant fluctuations in these estimates. Principal assumptions include surrender, withdrawal, benefit utilization, mortality, option budgets, future index credits, equity market return, interest rates, and nonperformance risk assumptions.

We identified the valuation of embedded derivative liabilities, and GMWB policy liabilities, MRBs associated with the fixed-indexed annuity product as a critical audit matter because of the inherent uncertainty management judgement required in selecting assumptions.

Performing audit procedures to evaluate the judgments made and the reasonableness of assumptions and models used in the valuations required a high degree of auditor judgment and an increased extent of auditor effort. The audit effort included the use of professionals with specialized skill and knowledge, including our valuation, modeling, and actuarial specialists, to assist in performing these procedures and evaluating the audit evidence obtained from these procedures.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the valuation of embedded derivative liabilities and GMWB policy liabilities MRBs associated with the fixed-indexed annuity product included the following, among others:

- We involved more senior, more experienced audit team members to perform audit procedures.
- We tested the design, implementation, and operating effectiveness of controls over the assumptions, including controls over the underlying data used in the valuation of these liabilities.
- With the assistance of our valuation, modeling, and actuarial specialists, we:
  - Evaluated the methods and judgments applied by management in the determination of principal assumptions used in the valuation of embedded derivative liabilities and GMWB policy liabilities MRBs associated with the fixed-indexed annuity product.
  - Evaluated the results of underlying experience studies, capital market projections, and judgments applied by management in setting the assumptions.
  - Developed an independent estimate of embedded derivative liabilities and GMWB policy liabilities MRBs associated with the fixed-indexed annuity production on a sample basis and evaluated differences.

**ASU 2018-12 Implementation – Refer to Note 2 to the financial statements**

*Critical Audit Matter Description*

Effective January 1, 2023, KKR adopted new accounting guidance for the insurance and reinsurance companies that issue long-duration contracts ("LDTI"), with retrospective application to February 1, 2021 ("GA Acquisition Date"), coinciding with the acquisition of Global Atlantic by KKR (see Accounting Pronouncement Recently Adopted explanatory paragraph above).

The adoption of LDTI significantly modified the Company's accounting for and disclosure of long duration insurance contracts, including the modification of certain complex valuation models and the introduction of a new model for a new category of benefits referred to as MRBs. Audit procedures to evaluate the full retrospective adoption of LDTI required significant audit effort, including the involvement of our actuarial specialists.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the adoption of LDTI included the following, among others:

- We involved senior, more experienced audit team members, including actuarial specialists, to plan and perform audit procedures.
- We tested the effectiveness of controls, including those related to the changes made to measurement models.

- We evaluated the appropriateness of the Company's accounting policies and methodologies involved in the adoption of the LDTI.
- We involved our actuarial specialists to assist us in evaluating the reasonableness and conceptual soundness of the measurement models.

/s/ Deloitte & Touche LLP

New York, New York

February 27, 2023 29, 2024

We have served as the Company's auditor since 2006.

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| KKR & CO. INC.                                          |                                      |                   |                   |
|---------------------------------------------------------|--------------------------------------|-------------------|-------------------|
| CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION          |                                      |                   |                   |
| (Amounts in Thousands, Except Share and Per Share Data) |                                      |                   |                   |
|                                                         |                                      | December 31, 2022 | December 31, 2021 |
|                                                         |                                      | December 31, 2023 |                   |
|                                                         |                                      | December 31, 2023 |                   |
|                                                         |                                      | December 31, 2023 |                   |
| Assets                                                  |                                      |                   |                   |
| Assets                                                  |                                      |                   |                   |
| Assets                                                  | Assets                               |                   |                   |
| Asset Management                                        | Asset Management                     |                   |                   |
| Asset Management                                        |                                      |                   |                   |
| Asset Management                                        |                                      |                   |                   |
| Cash and Cash Equivalents                               |                                      |                   |                   |
| Cash and Cash Equivalents                               |                                      |                   |                   |
| Cash and Cash Equivalents                               | Cash and Cash Equivalents            | \$ 6,705,325      | \$ 6,699,668      |
| Restricted Cash and Cash Equivalents                    | Restricted Cash and Cash Equivalents | 253,431           | 134,298           |
| Restricted Cash and Cash Equivalents                    |                                      |                   |                   |
| Restricted Cash and Cash Equivalents                    |                                      |                   |                   |
| Investments                                             |                                      |                   |                   |
| Investments                                             |                                      |                   |                   |
| Investments                                             | Investments                          | 92,375,463        | 88,775,514        |
| Due from Affiliates                                     | Due from Affiliates                  | 1,663,303         | 1,224,283         |
| Due from Affiliates                                     |                                      |                   |                   |
| Due from Affiliates                                     |                                      |                   |                   |
| Other Assets                                            | Other Assets                         | 5,197,626         | 2,886,313         |
|                                                         |                                      | 106,195,148       | 99,720,076        |
| Other Assets                                            |                                      |                   |                   |
| Other Assets                                            |                                      |                   |                   |
|                                                         |                                      | 113,567,367       |                   |
|                                                         |                                      | 113,567,367       |                   |
|                                                         |                                      | 113,567,367       |                   |
| Insurance                                               |                                      |                   |                   |
| Insurance                                               |                                      |                   |                   |
| Insurance                                               | Insurance                            |                   |                   |
| Cash and Cash Equivalents                               | Cash and Cash Equivalents            | \$ 6,118,231      | \$ 3,391,934      |
| Cash and Cash Equivalents                               |                                      |                   |                   |
| Cash and Cash Equivalents                               |                                      |                   |                   |

|                                                                                                |                                        |                |                |
|------------------------------------------------------------------------------------------------|----------------------------------------|----------------|----------------|
| Restricted Cash and Cash Equivalents                                                           |                                        |                |                |
| Restricted Cash and Cash Equivalents                                                           |                                        |                |                |
| Restricted Cash and Cash Equivalents                                                           | Restricted Cash and Cash Equivalents   | 308,383        | 300,404        |
| Investments                                                                                    | Investments                            | 124,199,176    | 123,763,675    |
| Investments                                                                                    |                                        |                |                |
| Investments                                                                                    |                                        |                |                |
| Reinsurance Recoverable                                                                        |                                        |                |                |
| Reinsurance Recoverable                                                                        |                                        |                |                |
| Reinsurance Recoverable                                                                        | Reinsurance Recoverable                | 27,919,591     | 25,062,256     |
| Insurance Intangible Assets                                                                    | Insurance Intangible Assets            | 1,722,681      | 1,407,149      |
| Insurance Intangible Assets                                                                    |                                        |                |                |
| Insurance Intangible Assets                                                                    |                                        |                |                |
| Other Assets                                                                                   |                                        |                |                |
| Other Assets                                                                                   |                                        |                |                |
| Other Assets                                                                                   | Other Assets                           | 6,483,187      | 5,053,518      |
| Separate Account Assets                                                                        | Separate Account Assets                | 4,130,794      | 5,586,428      |
|                                                                                                |                                        | 170,882,043    | 164,565,364    |
| Separate Account Assets                                                                        |                                        |                |                |
| Separate Account Assets                                                                        |                                        |                |                |
|                                                                                                |                                        | 203,726,827    |                |
|                                                                                                |                                        | 203,726,827    |                |
|                                                                                                |                                        | 203,726,827    |                |
| Total Assets                                                                                   |                                        |                |                |
| Total Assets                                                                                   |                                        |                |                |
| Total Assets                                                                                   | Total Assets                           | \$ 277,077,191 | \$ 264,285,440 |
| Liabilities and Equity                                                                         |                                        |                |                |
| Liabilities and Equity                                                                         |                                        |                |                |
| Liabilities and Equity                                                                         |                                        |                |                |
| Liabilities and Equity                                                                         |                                        |                |                |
| Asset Management                                                                               |                                        |                |                |
| Asset Management                                                                               |                                        |                |                |
| Asset Management                                                                               | Asset Management                       |                |                |
| Debt Obligations                                                                               | Debt Obligations                       | \$ 40,598,613  | \$ 36,669,755  |
| Debt Obligations                                                                               |                                        |                |                |
| Debt Obligations                                                                               |                                        |                |                |
| Due to Affiliates                                                                              |                                        |                |                |
| Due to Affiliates                                                                              |                                        |                |                |
| Due to Affiliates                                                                              | Due to Affiliates                      | 466,057        | 462,722        |
| Accrued Expenses and Other Liabilities                                                         | Accrued Expenses and Other Liabilities | 6,471,775      | 7,896,897      |
|                                                                                                |                                        | 47,536,445     | 45,029,374     |
| Accrued Expenses and Other Liabilities                                                         |                                        |                |                |
| Accrued Expenses and Other Liabilities                                                         |                                        |                |                |
|                                                                                                |                                        | 53,143,384     |                |
|                                                                                                |                                        | 53,143,384     |                |
|                                                                                                |                                        | 53,143,384     |                |
| Insurance                                                                                      | Insurance                              |                |                |
| Policy Liabilities                                                                             |                                        | \$ 141,223,287 | \$ 126,520,044 |
| Insurance                                                                                      |                                        |                |                |
| Insurance                                                                                      |                                        |                |                |
| Policy Liabilities (market risk benefit liabilities: \$1,120,968 and \$682,038, respectively.) |                                        |                |                |



|                                                                                                |                                        |             |             |
|------------------------------------------------------------------------------------------------|----------------------------------------|-------------|-------------|
| Policy Liabilities (market risk benefit liabilities: \$1,120,968 and \$682,038, respectively.) |                                        |             |             |
| Policy Liabilities (market risk benefit liabilities: \$1,120,968 and \$682,038, respectively.) |                                        |             |             |
| Debt Obligations                                                                               |                                        |             |             |
| Debt Obligations                                                                               |                                        |             |             |
| Debt Obligations                                                                               | Debt Obligations                       | 2,128,166   | 1,908,006   |
| Funds Withheld Payable at Interest                                                             | Funds Withheld Payable at Interest     | 22,739,417  | 23,460,253  |
| Funds Withheld Payable at Interest                                                             |                                        |             |             |
| Funds Withheld Payable at Interest                                                             |                                        |             |             |
| Accrued Expenses and Other Liabilities                                                         |                                        |             |             |
| Accrued Expenses and Other Liabilities                                                         |                                        |             |             |
| Accrued Expenses and Other Liabilities                                                         | Accrued Expenses and Other Liabilities | 4,600,377   | 3,263,566   |
| Reinsurance Liabilities                                                                        | Reinsurance Liabilities                | 1,059,820   | 378,549     |
| Reinsurance Liabilities                                                                        |                                        |             |             |
| Reinsurance Liabilities                                                                        |                                        |             |             |
| Separate Account Liabilities                                                                   | Separate Account Liabilities           | 4,130,794   | 5,586,428   |
|                                                                                                |                                        | 175,881,861 | 161,116,846 |
| Separate Account Liabilities                                                                   |                                        |             |             |
| Separate Account Liabilities                                                                   |                                        |             |             |
|                                                                                                |                                        | 205,771,898 |             |
|                                                                                                |                                        | 205,771,898 |             |
|                                                                                                |                                        | 205,771,898 |             |
| Total Liabilities                                                                              |                                        |             |             |
| Total Liabilities                                                                              |                                        |             |             |
| Total Liabilities                                                                              | Total Liabilities                      | 223,418,306 | 206,146,220 |

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|                                                                                                                                                                                         |                      |           |                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|-------------------|
|                                                                                                                                                                                         | December 31, 2023    |           |                   |
|                                                                                                                                                                                         | December 31, 2023    |           |                   |
|                                                                                                                                                                                         | December 31, 2023    |           |                   |
| Commitments and Contingencies (See Note 24)                                                                                                                                             |                      |           |                   |
| Commitments and Contingencies (See Note 24)                                                                                                                                             |                      |           |                   |
| Commitments and Contingencies (See Note 24)                                                                                                                                             |                      |           |                   |
|                                                                                                                                                                                         | December 31, 2022    |           | December 31, 2021 |
| Commitments and Contingencies (See Note 25)                                                                                                                                             |                      |           |                   |
| Redeemable Noncontrolling Interests (See Note 23)                                                                                                                                       |                      |           |                   |
| Redeemable Noncontrolling Interests                                                                                                                                                     | \$                   | 152,065   | \$ 82,491         |
| Redeemable Noncontrolling Interests (See Note 23)                                                                                                                                       |                      |           |                   |
| Redeemable Noncontrolling Interests (See Note 23)                                                                                                                                       |                      |           |                   |
| Stockholders' Equity                                                                                                                                                                    | Stockholders' Equity |           |                   |
| Series C Mandatory Convertible Preferred Stock, \$0.01 par value. 22,999,974 and 23,000,000 shares, issued and outstanding as of December 31, 2022 and December 31, 2021, respectively. | \$                   | 1,115,792 | \$ 1,115,792      |
| Series I Preferred Stock, \$0.01 par value. 1 share authorized, 1 share issued and outstanding as of December 31, 2022 and December 31, 2021.                                           |                      | —         | —                 |
| Series II Preferred Stock, \$0.01 par value. 499,999,999 shares authorized, 258,726,163 shares issued and outstanding as of December 31, 2021. (See Note 1)                             |                      | —         | 2,587             |

|                                                                                                                                                                                          |                                                        |                |                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------|----------------|
| Common Stock, \$0.01 par value. 3,500,000,000 shares authorized, 861,110,478 and 595,663,618 shares, issued and outstanding as of December 31, 2022 and December 31, 2021, respectively. |                                                        | 8,611          | 5,957          |
| <b>Stockholders' Equity</b>                                                                                                                                                              |                                                        |                |                |
| <b>Stockholders' Equity</b>                                                                                                                                                              |                                                        |                |                |
| Series C Mandatory Convertible Preferred Stock, \$0.01 par value. 0 and 22,999,974 shares, issued and outstanding as of December 31, 2023 and December 31, 2022, respectively.           |                                                        |                |                |
| Series C Mandatory Convertible Preferred Stock, \$0.01 par value. 0 and 22,999,974 shares, issued and outstanding as of December 31, 2023 and December 31, 2022, respectively.           |                                                        |                |                |
| Series C Mandatory Convertible Preferred Stock, \$0.01 par value. 0 and 22,999,974 shares, issued and outstanding as of December 31, 2023 and December 31, 2022, respectively.           |                                                        |                |                |
| Series I Preferred Stock, \$0.01 par value. 1 share authorized, 1 share issued and outstanding as of December 31, 2023 and December 31, 2022.                                            |                                                        |                |                |
| Series I Preferred Stock, \$0.01 par value. 1 share authorized, 1 share issued and outstanding as of December 31, 2023 and December 31, 2022.                                            |                                                        |                |                |
| Series I Preferred Stock, \$0.01 par value. 1 share authorized, 1 share issued and outstanding as of December 31, 2023 and December 31, 2022.                                            |                                                        |                |                |
| Common Stock, \$0.01 par value. 3,500,000,000 shares authorized, 885,005,588 and 861,110,478 shares, issued and outstanding as of December 31, 2023 and December 31, 2022, respectively. |                                                        |                |                |
| Common Stock, \$0.01 par value. 3,500,000,000 shares authorized, 885,005,588 and 861,110,478 shares, issued and outstanding as of December 31, 2023 and December 31, 2022, respectively. |                                                        |                |                |
| Common Stock, \$0.01 par value. 3,500,000,000 shares authorized, 885,005,588 and 861,110,478 shares, issued and outstanding as of December 31, 2023 and December 31, 2022, respectively. |                                                        |                |                |
| Additional Paid-In Capital                                                                                                                                                               |                                                        |                |                |
| Additional Paid-In Capital                                                                                                                                                               |                                                        |                |                |
| Additional Paid-In Capital                                                                                                                                                               | Additional Paid-In Capital                             | 16,190,407     | 8,997,435      |
| Retained Earnings                                                                                                                                                                        | Retained Earnings                                      | 6,315,711      | 7,670,182      |
| Retained Earnings                                                                                                                                                                        |                                                        |                |                |
| Retained Earnings                                                                                                                                                                        |                                                        |                |                |
| Accumulated Other Comprehensive Income (Loss) ("AOCI")                                                                                                                                   |                                                        |                |                |
| Accumulated Other Comprehensive Income (Loss) ("AOCI")                                                                                                                                   |                                                        |                |                |
| Accumulated Other Comprehensive Income (Loss) ("AOCI")                                                                                                                                   | Accumulated Other Comprehensive Income (Loss) ("AOCI") | (5,901,701)    | (209,789)      |
| <b>Total KKR &amp; Co. Inc. Stockholders' Equity</b>                                                                                                                                     | <b>Total KKR &amp; Co. Inc. Stockholders' Equity</b>   | 17,728,820     | 17,582,164     |
| Noncontrolling Interests (See Note 23)                                                                                                                                                   |                                                        | 35,778,000     | 40,474,565     |
| <b>Total KKR &amp; Co. Inc. Stockholders' Equity</b>                                                                                                                                     |                                                        |                |                |
| <b>Total KKR &amp; Co. Inc. Stockholders' Equity</b>                                                                                                                                     |                                                        |                |                |
| Noncontrolling Interests (See Note 22)                                                                                                                                                   |                                                        |                |                |
| Noncontrolling Interests (See Note 22)                                                                                                                                                   |                                                        |                |                |
| Noncontrolling Interests (See Note 22)                                                                                                                                                   |                                                        |                |                |
| <b>Total Equity</b>                                                                                                                                                                      |                                                        |                |                |
| <b>Total Equity</b>                                                                                                                                                                      |                                                        |                |                |
| <b>Total Equity</b>                                                                                                                                                                      | <b>Total Equity</b>                                    | 53,506,820     | 58,056,729     |
| <b>Total Liabilities and Equity</b>                                                                                                                                                      | <b>Total Liabilities and Equity</b>                    | \$ 277,077,191 | \$ 264,285,440 |
| <b>Total Liabilities and Equity</b>                                                                                                                                                      |                                                        |                |                |

## Total Liabilities and Equity

See notes to financial statements.

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### KKR & CO. INC. CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (Continued) (CONTINUED) (Amounts in Thousands)

The following presents the portion of the consolidated balances provided in the consolidated statements of financial condition attributable to consolidated variable interest entities ("VIEs"). As of **December 31, 2022**, **December 31, 2023** and **2021, 2022**, KKR's consolidated VIEs consist primarily of (i) certain collateralized financing entities ("CFEs") holding collateralized loan obligations ("CLOs"), (ii) certain investment funds, and (iii) certain VIEs formed by Global Atlantic. The noteholders, creditors and equity holders of these VIEs have no recourse to the assets of any other KKR entity.

With respect to consolidated CLOs and certain investment funds, the following assets may only be used to settle obligations of these consolidated VIEs and the following liabilities are only the obligations of these consolidated VIEs and not generally to KKR. Additionally, KKR has no right to the benefits from, nor does KKR bear the risks associated with, the assets held by these VIEs beyond KKR's beneficial interest therein and any income generated from the VIEs. There are neither explicit arrangements nor does KKR hold implicit variable interests that would require KKR to provide any material ongoing financial support to the consolidated VIEs, beyond amounts previously committed to them, if any.

With respect to certain other VIEs consolidated by Global Atlantic, Global Atlantic has formed certain VIEs to hold investments, including fixed maturity securities, consumer and other loans, renewable energy, transportation and real estate. These VIEs issue beneficial interests primarily to Global Atlantic's insurance companies.

| December 31, 2022                    |                                      |                              |                     |            |              | December 31, 2023 |                                                  |            |       |  |
|--------------------------------------|--------------------------------------|------------------------------|---------------------|------------|--------------|-------------------|--------------------------------------------------|------------|-------|--|
| December 31, 2023                    |                                      |                              |                     |            |              | December 31, 2023 |                                                  |            |       |  |
|                                      |                                      | Consolidated Funds and Other |                     |            |              |                   |                                                  |            |       |  |
|                                      |                                      | Consolidated CLOs            | Investment Vehicles | Other VIEs | Total        | Consolidated CLOs | Consolidated Funds and Other Investment Vehicles | Other VIEs | Total |  |
| Assets                               | Assets                               |                              |                     |            |              |                   |                                                  |            |       |  |
| Asset Management                     | Asset Management                     |                              |                     |            |              |                   |                                                  |            |       |  |
| Asset Management                     |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
| Asset Management                     |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
| Cash and Cash Equivalents            |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
| Cash and Cash Equivalents            |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
| Cash and Cash Equivalents            | Cash and Cash Equivalents            | \$ 920,821                   | \$ 2,936,937        | \$ —       | \$ 3,857,758 |                   |                                                  |            |       |  |
| Restricted Cash and Cash Equivalents | Restricted Cash and Cash Equivalents | —                            | 155,521             | —          | 155,521      |                   |                                                  |            |       |  |
| Investments                          | Investments                          | 22,492,366                   | 54,507,084          | —          | 76,999,450   |                   |                                                  |            |       |  |
| Other Assets                         | Other Assets                         | 182,487                      | 652,031             | —          | 834,518      |                   |                                                  |            |       |  |
| Other Assets                         |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
| Other Assets                         |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
| 27,135,648                           |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
| Insurance                            |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
| Insurance                            |                                      |                              |                     |            |              |                   |                                                  |            |       |  |
|                                      |                                      | 23,595,674                   | 58,251,573          | —          | 81,847,247   |                   |                                                  |            |       |  |
| Insurance                            | Insurance                            |                              |                     |            |              |                   |                                                  |            |       |  |

|                                        |                                        |               |               |               |                |
|----------------------------------------|----------------------------------------|---------------|---------------|---------------|----------------|
| Cash and Cash Equivalents              | Cash and Cash Equivalents              | —             |               |               |                |
|                                        | Equivalents                            | —             |               | 619,264       | 619,264        |
| Cash and Cash Equivalents              |                                        |               |               |               |                |
| Cash and Cash Equivalents              |                                        |               |               |               |                |
| Investments                            | Investments                            | —             | —             | 24,732,042    | 24,732,042     |
| Accrued Investment Income              |                                        | —             | —             | 290,237       | 290,237        |
| Investments                            |                                        |               |               |               |                |
| Investments                            |                                        |               |               |               |                |
| Other Assets                           | Other Assets                           | —             | —             | 1,130,696     | 1,130,696      |
| Other Assets                           |                                        |               |               |               |                |
| Other Assets                           |                                        |               |               |               |                |
|                                        |                                        | —             |               |               |                |
|                                        |                                        | —             | —             | 26,772,239    | 26,772,239     |
| Total Assets                           |                                        |               |               |               |                |
| Total Assets                           |                                        |               |               |               |                |
| Total Assets                           | Total Assets                           | \$ 23,595,674 | \$ 58,251,573 | \$ 26,772,239 | \$ 108,619,486 |
|                                        |                                        |               |               |               |                |
| Liabilities                            | Liabilities                            |               |               |               |                |
| Liabilities                            |                                        |               |               |               |                |
| Liabilities                            |                                        |               |               |               |                |
| Asset Management                       |                                        |               |               |               |                |
| Asset Management                       |                                        |               |               |               |                |
| Asset Management                       | Asset Management                       |               |               |               |                |
| Debt Obligations                       | Debt Obligations                       | \$ 22,273,242 | \$ 7,306,625  | \$ —          | \$ 29,579,867  |
| Debt Obligations                       |                                        |               |               |               |                |
| Debt Obligations                       |                                        |               |               |               |                |
| Accrued Expenses and Other Liabilities |                                        |               |               |               |                |
| 26,146,169                             |                                        |               |               |               |                |
| Insurance                              |                                        |               |               |               |                |
| Accrued Expenses and Other Liabilities |                                        |               |               |               |                |
| Accrued Expenses and Other Liabilities |                                        |               |               |               |                |
| Accrued Expenses and Other Liabilities | Accrued Expenses and Other Liabilities | 620,200       | 742,384       | —             | 1,362,584      |
|                                        |                                        | 22,893,442    | 8,049,009     | —             | 30,942,451     |
| Insurance                              |                                        |               |               |               |                |
| Accrued Expenses and Other Liabilities |                                        |               |               |               |                |
| 461,812                                |                                        |               |               |               |                |
| Total Liabilities                      |                                        |               |               |               |                |
| Total Liabilities                      |                                        |               |               |               |                |
| Total Liabilities                      | Total Liabilities                      | \$ 22,893,442 | \$ 8,049,009  | \$ 461,812    | \$ 31,404,263  |

| December 31, 2021                    |                                      |                   |                                                  |               |               | December 31, 2022 |                                                  |            |       |
|--------------------------------------|--------------------------------------|-------------------|--------------------------------------------------|---------------|---------------|-------------------|--------------------------------------------------|------------|-------|
| December 31, 2021                    |                                      |                   |                                                  |               |               | December 31, 2022 |                                                  |            |       |
|                                      |                                      | Consolidated CLOs | Consolidated Funds and Other Investment Vehicles | Other VIEs    | Total         | Consolidated CLOs | Consolidated Funds and Other Investment Vehicles | Other VIEs | Total |
| <b>Assets</b>                        | <b>Assets</b>                        |                   |                                                  |               |               |                   |                                                  |            |       |
| <b>Asset Management</b>              | <b>Asset Management</b>              |                   |                                                  |               |               |                   |                                                  |            |       |
| <b>Asset Management</b>              | <b>Asset Management</b>              |                   |                                                  |               |               |                   |                                                  |            |       |
| Cash and Cash Equivalents            | Cash and Cash Equivalents            |                   |                                                  |               |               |                   |                                                  |            |       |
| Cash and Cash Equivalents            | Cash and Cash Equivalents            |                   |                                                  |               |               |                   |                                                  |            |       |
| Cash                                 | Cash                                 |                   |                                                  |               |               |                   |                                                  |            |       |
| Equivalents                          | Equivalents                          | \$ 1,215,992      | \$ 1,085,958                                     | \$ —          | \$ 2,301,950  |                   |                                                  |            |       |
| Restricted Cash and Cash Equivalents | Restricted Cash and Cash Equivalents | —                 | 90,255                                           | —             | 90,255        |                   |                                                  |            |       |
| Investments                          | Investments                          | 22,076,809        | 46,780,595                                       | —             | 68,857,404    |                   |                                                  |            |       |
| Other Assets                         | Other Assets                         | 173,329           | 641,946                                          | —             | 815,275       |                   |                                                  |            |       |
|                                      |                                      | 23,466,130        | 48,598,754                                       | —             | 72,064,884    |                   |                                                  |            |       |
|                                      |                                      | 23,595,674        |                                                  |               |               |                   |                                                  |            |       |
| <b>Insurance</b>                     | <b>Insurance</b>                     |                   |                                                  |               |               |                   |                                                  |            |       |
| Cash and Cash Equivalents            | Cash and Cash Equivalents            | —                 | —                                                | 1,406,974     | 1,406,974     |                   |                                                  |            |       |
| Cash and Cash Equivalents            | Cash and Cash Equivalents            |                   |                                                  |               |               |                   |                                                  |            |       |
| Investments                          | Investments                          | —                 | —                                                | 20,043,016    | 20,043,016    |                   |                                                  |            |       |
| Accrued Investment Income            | Accrued Investment Income            | —                 | —                                                | 100,693       | 100,693       |                   |                                                  |            |       |
| Other Assets                         | Other Assets                         | —                 | —                                                | 506,777       | 506,777       |                   |                                                  |            |       |
|                                      |                                      | —                 | —                                                | 22,057,460    | 22,057,460    |                   |                                                  |            |       |
| Other Assets                         | Other Assets                         |                   |                                                  |               |               |                   |                                                  |            |       |
| Other Assets                         | Other Assets                         |                   |                                                  |               |               |                   |                                                  |            |       |
|                                      |                                      |                   |                                                  |               |               |                   |                                                  |            |       |
| <b>Total Assets</b>                  | <b>Total Assets</b>                  | \$ 23,466,130     | \$ 48,598,754                                    | \$ 22,057,460 | \$ 94,122,344 |                   |                                                  |            |       |
| <b>Liabilities</b>                   | <b>Liabilities</b>                   |                   |                                                  |               |               |                   |                                                  |            |       |
| <b>Liabilities</b>                   | <b>Liabilities</b>                   |                   |                                                  |               |               |                   |                                                  |            |       |
| <b>Asset Management</b>              | <b>Asset Management</b>              |                   |                                                  |               |               |                   |                                                  |            |       |
| <b>Asset Management</b>              | <b>Asset Management</b>              |                   |                                                  |               |               |                   |                                                  |            |       |
| <b>Debt Obligations</b>              | <b>Debt Obligations</b>              | \$ 21,271,084     | \$ 6,291,292                                     | \$ —          | \$ 27,562,376 |                   |                                                  |            |       |
| Debt Obligations                     | Debt Obligations                     |                   |                                                  |               |               |                   |                                                  |            |       |

|                                        |                                        |                      |                     |                   |                      |
|----------------------------------------|----------------------------------------|----------------------|---------------------|-------------------|----------------------|
| Debt Obligations                       |                                        |                      |                     |                   |                      |
| Accrued Expenses and Other Liabilities | Accrued Expenses and Other Liabilities | 1,367,778            | 691,288             | —                 | 2,059,066            |
|                                        |                                        | 22,638,862           | 6,982,580           | —                 | 29,621,442           |
|                                        |                                        | 22,893,442           |                     |                   |                      |
| <b>Insurance</b>                       |                                        |                      |                     |                   |                      |
| Accrued Expenses and Other Liabilities | Accrued Expenses and Other Liabilities | —                    | —                   | 594,946           | 594,946              |
| Accrued Expenses and Other Liabilities |                                        |                      |                     |                   |                      |
| Accrued Expenses and Other Liabilities |                                        |                      |                     |                   |                      |
| <b>Total Liabilities</b>               | <b>Total Liabilities</b>               | <b>\$ 22,638,862</b> | <b>\$ 6,982,580</b> | <b>\$ 594,946</b> | <b>\$ 30,216,388</b> |

See notes to financial statements.

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**KKR & CO. INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Amounts in Thousands, Except Share and Per Share Data)

|                                        |                                        | Years Ended December 31, |             |             |      |      |      |  |
|----------------------------------------|----------------------------------------|--------------------------|-------------|-------------|------|------|------|--|
|                                        |                                        | Years Ended December 31, |             |             |      |      |      |  |
|                                        |                                        | Years Ended December 31, |             |             |      |      |      |  |
|                                        |                                        | Years Ended December 31, |             |             |      |      |      |  |
|                                        |                                        | 2022                     | 2021        | 2020        | 2023 | 2022 | 2021 |  |
| <b>Revenues</b>                        | <b>Revenues</b>                        |                          |             |             |      |      |      |  |
| <b>Asset Management</b>                | <b>Asset Management</b>                |                          |             |             |      |      |      |  |
| <b>Asset Management</b>                |                                        |                          |             |             |      |      |      |  |
| <b>Asset Management</b>                |                                        |                          |             |             |      |      |      |  |
| Fees and Other                         |                                        |                          |             |             |      |      |      |  |
| Fees and Other                         |                                        |                          |             |             |      |      |      |  |
| Fees and Other                         | Fees and Other                         | \$2,821,627              | \$2,850,154 | \$2,006,791 |      |      |      |  |
| Capital Allocation-Based Income (Loss) | Capital Allocation-Based Income (Loss) | (2,500,509)              | 6,842,414   | 2,224,100   |      |      |      |  |
|                                        |                                        | 321,118                  | 9,692,568   | 4,230,891   |      |      |      |  |
|                                        |                                        | 5,807,306                |             |             |      |      |      |  |
| <b>Insurance</b>                       | <b>Insurance</b>                       |                          |             |             |      |      |      |  |
| <b>Net Premiums</b>                    |                                        |                          |             |             |      |      |      |  |
| <b>Net Premiums</b>                    |                                        |                          |             |             |      |      |      |  |
| Net Premiums                           | Net Premiums                           | 1,182,461                | 2,226,078   | —           |      |      |      |  |
| Policy Fees                            | Policy Fees                            | 1,278,736                | 1,147,913   | —           |      |      |      |  |
| Net Investment Income                  | Net Investment Income                  | 4,118,246                | 2,845,623   | —           |      |      |      |  |



|                                                                                                                                                                                                                                         |                                          |             |            |           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-------------|------------|-----------|
| Net Investment-Related Gains (Losses)                                                                                                                                                                                                   | Net Investment-Related Gains (Losses)    | (1,318,490) | 203,753    | —         |
| Other Income                                                                                                                                                                                                                            | Other Income                             | 139,124     | 120,213    | —         |
|                                                                                                                                                                                                                                         |                                          | 5,400,077   | 6,543,580  | —         |
|                                                                                                                                                                                                                                         | 8,692,006                                |             |            |           |
| <b>Total Revenues</b>                                                                                                                                                                                                                   | <b>Total Revenues</b>                    | 5,721,195   | 16,236,148 | 4,230,891 |
| <b>Expenses</b>                                                                                                                                                                                                                         | <b>Expenses</b>                          |             |            |           |
| <b>Expenses</b>                                                                                                                                                                                                                         |                                          |             |            |           |
| <b>Expenses</b>                                                                                                                                                                                                                         |                                          |             |            |           |
| <b>Asset Management</b>                                                                                                                                                                                                                 | <b>Asset Management</b>                  |             |            |           |
| <b>Asset Management</b>                                                                                                                                                                                                                 |                                          |             |            |           |
| Compensation and Benefits                                                                                                                                                                                                               |                                          |             |            |           |
| Compensation and Benefits                                                                                                                                                                                                               |                                          |             |            |           |
| Compensation and Benefits                                                                                                                                                                                                               | Compensation and Benefits                | 1,144,666   | 4,428,743  | 2,152,490 |
| Occupancy and Related Charges                                                                                                                                                                                                           | Occupancy and Related Charges            | 77,271      | 69,084     | 72,100    |
| General, Administrative and Other                                                                                                                                                                                                       | General, Administrative and Other        | 993,548     | 959,077    | 708,542   |
|                                                                                                                                                                                                                                         |                                          | 2,215,485   | 5,456,904  | 2,933,132 |
|                                                                                                                                                                                                                                         | 4,162,977                                |             |            |           |
| <b>Insurance</b>                                                                                                                                                                                                                        | <b>Insurance</b>                         |             |            |           |
| Net Policy Benefits and Claims                                                                                                                                                                                                          |                                          | 3,184,427   | 5,055,709  | —         |
| Net Policy Benefits and Claims (including market risk benefit loss (gain) of \$224,380, \$(673,399) and \$(152,424), respectively; remeasurement (gain) loss on policy liabilities: \$15,497, \$(57,128) and \$(71,227), respectively.) |                                          |             |            |           |
| Net Policy Benefits and Claims (including market risk benefit loss (gain) of \$224,380, \$(673,399) and \$(152,424), respectively; remeasurement (gain) loss on policy liabilities: \$15,497, \$(57,128) and \$(71,227), respectively.) |                                          |             |            |           |
| Net Policy Benefits and Claims (including market risk benefit loss (gain) of \$224,380, \$(673,399) and \$(152,424), respectively; remeasurement (gain) loss on policy liabilities: \$15,497, \$(57,128) and \$(71,227), respectively.) |                                          |             |            |           |
| Amortization of Policy Acquisition Costs                                                                                                                                                                                                | Amortization of Policy Acquisition Costs | 10,990      | (65,949)   | —         |
| Interest Expense                                                                                                                                                                                                                        | Interest Expense                         | 87,182      | 61,661     | —         |

|                                                    |                                                    |             |             |           |
|----------------------------------------------------|----------------------------------------------------|-------------|-------------|-----------|
| Insurance Expenses                                 | Insurance Expenses                                 | 565,304     | 358,878     | —         |
| General, Administrative and Other                  | General, Administrative and Other                  | 718,422     | 555,321     | —         |
|                                                    |                                                    | 4,566,325   | 5,965,620   | —         |
|                                                    |                                                    | 8,195,628   |             |           |
| <b>Total Expenses</b>                              | <b>Total Expenses</b>                              | 6,781,810   | 11,422,524  | 2,933,132 |
| <b>Investment Income (Loss) - Asset Management</b> | <b>Investment Income (Loss) - Asset Management</b> |             |             |           |
| <b>Investment Income (Loss) - Asset Management</b> |                                                    |             |             |           |
| Net Gains (Losses) from Investment Activities      |                                                    |             |             |           |
| Net Gains (Losses) from Investment Activities      |                                                    |             |             |           |
| Net Gains (Losses) from Investment Activities      | Net Gains (Losses) from Investment Activities      | (1,665,537) | 7,720,923   | 3,642,804 |
| Dividend Income                                    | Dividend Income                                    | 1,322,447   | 698,800     | 352,563   |
| Interest Income                                    | Interest Income                                    | 1,895,282   | 1,485,470   | 1,403,440 |
| Interest Expense                                   | Interest Expense                                   | (1,550,777) | (1,070,368) | (969,871) |
| <b>Total Investment Income (Loss)</b>              | <b>Total Investment Income (Loss)</b>              | 1,415       | 8,834,825   | 4,428,936 |
| <b>Income (Loss) Before Taxes</b>                  | <b>Income (Loss) Before Taxes</b>                  | (1,059,200) | 13,648,449  | 5,726,695 |
| <b>Income (Loss) Before Taxes</b>                  |                                                    |             |             |           |
| <b>Income (Loss) Before Taxes</b>                  |                                                    |             |             |           |
| <b>Income Tax Expense (Benefit)</b>                | <b>Income Tax Expense (Benefit)</b>                | (35,672)    | 1,353,270   | 609,097   |
| <b>Income Tax Expense (Benefit)</b>                |                                                    |             |             |           |
| <b>Income Tax Expense (Benefit)</b>                |                                                    |             |             |           |

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| Years Ended December 31, |                          |             |            |           |      |      |
|--------------------------|--------------------------|-------------|------------|-----------|------|------|
| Years Ended December 31, |                          |             |            |           |      |      |
| Years Ended December 31, |                          |             |            |           |      |      |
| Years Ended December 31, |                          |             |            |           |      |      |
|                          |                          | 2022        | 2021       | 2020      | 2023 | 2022 |
| <b>Net Income (Loss)</b> | <b>Net Income (Loss)</b> | (1,023,528) | 12,295,179 | 5,117,598 |      |      |
| <b>Net Income (Loss)</b> |                          |             |            |           |      |      |

|                                                                      |                                                          |           |              |              |
|----------------------------------------------------------------------|----------------------------------------------------------|-----------|--------------|--------------|
| Net Income (Loss)                                                    |                                                          |           |              |              |
| Net Income (Loss)                                                    | Net Income (Loss)                                        |           |              |              |
| Attributable to Redeemable Noncontrolling Interests                  | Attributable to Redeemable Noncontrolling Interests      | 2,792     | 4,060        | —            |
| Net Income (Loss)                                                    | Net Income (Loss)                                        |           |              |              |
| Attributable to Noncontrolling Interests                             | Attributable to Noncontrolling Interests                 | (185,190) | 7,624,643    | 3,115,089    |
| Net Income (Loss)                                                    | Net Income (Loss)                                        |           |              |              |
| Attributable to KKR & Co. Inc.                                       | Attributable to KKR & Co. Inc.                           | (841,130) | 4,666,476    | 2,002,509    |
| Series A Preferred Stock Dividends                                   | Series A Preferred Stock Dividends                       | —         | 23,656       | 23,288       |
| Series A Preferred Stock Dividends                                   |                                                          |           |              |              |
| Series A Preferred Stock Dividends                                   |                                                          |           |              |              |
| Series B Preferred Stock Dividends                                   | Series B Preferred Stock Dividends                       | —         | 12,991       | 10,076       |
| Series C Mandatory Convertible Preferred Stock Dividends             | Series C Mandatory Convertible Preferred Stock Dividends | 69,000    | 69,000       | 23,191       |
| Net Income (Loss)                                                    | Net Income (Loss)                                        |           |              |              |
| Attributable to KKR & Co. Inc. Common Stockholders                   | Attributable to KKR & Co. Inc. Common Stockholders       | (910,130) | \$ 4,560,829 | \$ 1,945,954 |
| Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders |                                                          |           |              |              |
| Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders |                                                          |           |              |              |
| Net Income (Loss)                                                    | Net Income (Loss)                                        |           |              |              |
| Attributable to KKR & Co. Inc. Per Share of Common Stock             | Attributable to KKR & Co. Inc. Per Share of Common Stock |           |              |              |

|                                                     |                                                     |             |             |             |      |
|-----------------------------------------------------|-----------------------------------------------------|-------------|-------------|-------------|------|
| Net Income (Loss)                                   |                                                     |             |             |             |      |
| Attributable to KKR & Co. Inc.                      |                                                     |             |             |             |      |
| Per Share of Common Stock                           |                                                     |             |             |             |      |
| Net Income (Loss)                                   |                                                     |             |             |             |      |
| Attributable to KKR & Co. Inc.                      |                                                     |             |             |             |      |
| Per Share of Common Stock                           |                                                     |             |             |             |      |
| Basic                                               |                                                     |             |             |             |      |
| Basic                                               |                                                     |             |             |             |      |
| Basic                                               | Basic                                               | \$          | (1.21)      | \$          | 7.83 |
|                                                     |                                                     |             |             | \$          | 3.45 |
| Diluted                                             | Diluted                                             | \$          | (1.21)      | \$          | 7.31 |
|                                                     |                                                     |             |             | \$          | 3.37 |
| Weighted Average Shares of Common Stock Outstanding | Weighted Average Shares of Common Stock Outstanding |             |             |             |      |
| Basic                                               | Basic                                               | 749,504,970 | 582,258,984 | 562,812,883 |      |
| Basic                                               |                                                     |             |             |             |      |
| Basic                                               |                                                     |             |             |             |      |
| Diluted                                             | Diluted                                             | 749,504,970 | 633,092,865 | 583,685,352 |      |

See notes to financial statements.

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**KKR & CO. INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(Amounts in Thousands)

|                                                                      |                                                                      | Years Ended December 31, |               |              | Years Ended December 31, |      |
|----------------------------------------------------------------------|----------------------------------------------------------------------|--------------------------|---------------|--------------|--------------------------|------|
|                                                                      |                                                                      | 2022                     |               |              | 2021                     |      |
|                                                                      |                                                                      | 2022                     | 2021          | 2020         | 2023                     | 2022 |
| Net Income (Loss)                                                    | Net Income (Loss)                                                    | \$ (1,023,528)           | \$ 12,295,179 | \$ 5,117,598 |                          |      |
| Other Comprehensive Income (Loss), Net of Tax:                       | Other Comprehensive Income (Loss), Net of Tax:                       |                          |               |              |                          |      |
| Other Comprehensive Income (Loss), Net of Tax:                       | Other Comprehensive Income (Loss), Net of Tax:                       |                          |               |              |                          |      |
| Unrealized Gains (Losses) on Available-For-Sale Securities and Other | Unrealized Gains (Losses) on Available-For-Sale Securities and Other |                          |               |              |                          |      |
| Unrealized Gains (Losses) on Available-For-Sale Securities and Other | Unrealized Gains (Losses) on Available-For-Sale Securities and Other |                          |               |              |                          |      |

|                                                                                                         |                                                                                                |                       |                     |                     |
|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------------------|---------------------|---------------------|
| Unrealized<br>Gains (Losses)<br>on Available-<br>For-Sale<br>Securities and<br>Other                    | Unrealized<br>Gains (Losses)<br>on Available-<br>For-Sale<br>Securities and<br>Other           | (8,777,181)           | (387,338)           | —                   |
| Net effect of changes in discount<br>rates and instrument-specific<br>credit risk on policy liabilities |                                                                                                |                       |                     |                     |
| Net effect of changes in discount<br>rates and instrument-specific<br>credit risk on policy liabilities |                                                                                                |                       |                     |                     |
| Net effect of changes in discount<br>rates and instrument-specific<br>credit risk on policy liabilities |                                                                                                |                       |                     |                     |
| Foreign Currency Translation<br>Adjustments                                                             |                                                                                                |                       |                     |                     |
| Foreign Currency Translation<br>Adjustments                                                             |                                                                                                |                       |                     |                     |
| Foreign<br>Currency<br>Translation<br>Adjustments                                                       | Foreign<br>Currency<br>Translation<br>Adjustments                                              | (2,673)               | (39,521)            | 32,658              |
| <b>Comprehensive<br/>Income (Loss)</b>                                                                  | <b>Comprehensive<br/>Income (Loss)</b>                                                         | (9,803,382)           | 11,868,320          | 5,150,256           |
| <b>Comprehensive Income (Loss)</b>                                                                      |                                                                                                |                       |                     |                     |
| <b>Comprehensive Income (Loss)</b>                                                                      |                                                                                                |                       |                     |                     |
| Comprehensive Income (Loss)<br>Attributable to Redeemable<br>Noncontrolling Interests                   |                                                                                                |                       |                     |                     |
| Comprehensive Income (Loss)<br>Attributable to Redeemable<br>Noncontrolling Interests                   |                                                                                                |                       |                     |                     |
| Comprehensive<br>Income (Loss)<br>Attributable to<br>Redeemable<br>Noncontrolling<br>Interests          | Comprehensive<br>Income (Loss)<br>Attributable to<br>Redeemable<br>Noncontrolling<br>Interests | 2,792                 | 4,060               | —                   |
| Comprehensive<br>Income (Loss)<br>Attributable to<br>Noncontrolling<br>Interests                        | Comprehensive<br>Income (Loss)<br>Attributable to<br>Noncontrolling<br>Interests               | (4,614,663)           | 7,381,242           | 3,123,188           |
| <b>Comprehensive<br/>Income (Loss)<br/>Attributable to<br/>KKR &amp; Co. Inc.</b>                       | <b>Comprehensive<br/>Income (Loss)<br/>Attributable to<br/>KKR &amp; Co. Inc.</b>              | <u>\$ (5,191,511)</u> | <u>\$ 4,483,018</u> | <u>\$ 2,027,068</u> |
| <b>Comprehensive Income (Loss)<br/>Attributable to KKR &amp; Co. Inc.</b>                               |                                                                                                |                       |                     |                     |
| <b>Comprehensive Income (Loss)<br/>Attributable to KKR &amp; Co. Inc.</b>                               |                                                                                                |                       |                     |                     |

See notes to financial statements.

KKR & CO. INC.  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
(Amounts in Thousands, Except Share and Per Share Data)

| KKR & CO. INC.<br>CONSOLIDATED STATEMENTS OF CHANGES IN<br>EQUITY<br>(Amounts in Thousands, Except Share and Per<br>Share Data) |                                                              |                                 |               |  |
|---------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------|---------------|--|
| KKR & CO. INC.<br>CONSOLIDATED STATEMENTS OF CHANGES IN<br>EQUITY<br>(Amounts in Thousands, Except Share and Per<br>Share Data) |                                                              |                                 |               |  |
|                                                                                                                                 |                                                              | Year Ended December 31,<br>2022 |               |  |
|                                                                                                                                 |                                                              | Amounts                         | Shares        |  |
|                                                                                                                                 |                                                              | Year Ended December 31,<br>2023 |               |  |
|                                                                                                                                 |                                                              | Year Ended December 31,<br>2023 |               |  |
|                                                                                                                                 |                                                              | Year Ended December 31,<br>2023 |               |  |
|                                                                                                                                 |                                                              | Amounts                         |               |  |
| Series C                                                                                                                        | Series C                                                     |                                 |               |  |
| Mandatory                                                                                                                       | Mandatory                                                    |                                 |               |  |
| Convertible                                                                                                                     | Convertible                                                  |                                 |               |  |
| Preferred Stock                                                                                                                 | Preferred Stock                                              |                                 |               |  |
| Series C Mandatory Convertible Preferred Stock                                                                                  |                                                              |                                 |               |  |
| Series C Mandatory Convertible Preferred Stock                                                                                  |                                                              |                                 |               |  |
| Beginning of Period                                                                                                             |                                                              |                                 |               |  |
| Beginning of Period                                                                                                             |                                                              |                                 |               |  |
| Beginning of Period                                                                                                             | Beginning of Period                                          | \$ 1,115,792                    | 23,000,000    |  |
| Conversion of Series C Mandatory Convertible Preferred Stock                                                                    | Conversion of Series C Mandatory Convertible Preferred Stock | —                               | (26)          |  |
| End of Period                                                                                                                   | End of Period                                                | 1,115,792                       | 22,999,974    |  |
| Series I Preferred Stock                                                                                                        | Series I Preferred Stock                                     |                                 |               |  |
| Beginning of Period                                                                                                             | Beginning of Period                                          | —                               | 1             |  |
| Beginning of Period                                                                                                             |                                                              |                                 |               |  |
| Beginning of Period                                                                                                             |                                                              |                                 |               |  |
| End of Period                                                                                                                   | End of Period                                                | —                               | 1             |  |
| Series II Preferred Stock                                                                                                       |                                                              |                                 |               |  |
| Beginning of Period                                                                                                             |                                                              | 2,587                           | 258,726,163   |  |
| Cancellation of Series II Preferred Stock - Holdings Merger (See Note 1)                                                        |                                                              | (2,582)                         | (258,259,143) |  |



|                                                                   |                                                              |             |             |
|-------------------------------------------------------------------|--------------------------------------------------------------|-------------|-------------|
| Cancellation of Series II Preferred                               |                                                              |             |             |
| Stock                                                             |                                                              | (5)         | (467,020)   |
| End of Period                                                     |                                                              | —           | —           |
| Common Stock                                                      |                                                              |             |             |
| Common Stock                                                      |                                                              |             |             |
| Common Stock                                                      | Common Stock                                                 |             |             |
| Beginning of Period                                               | Beginning of Period                                          | 5,957       | 595,663,618 |
| Beginning of Period                                               |                                                              |             |             |
| Beginning of Period                                               |                                                              |             |             |
| Clawback of Transfer Restricted Shares                            | Clawback of Transfer Restricted Shares                       | —           | (1,513)     |
| Exchange of KKR Holdings Units                                    |                                                              | 5           | 467,020     |
| Holdings Merger (See Note 1)                                      |                                                              | 2,667       | 266,759,143 |
| Net Delivery of Common Stock                                      |                                                              | 34          | 3,413,354   |
| Net Delivery of Common Stock (Equity Incentive Plans)             |                                                              |             |             |
| Net Delivery of Common Stock (Equity Incentive Plans)             |                                                              |             |             |
| Net Delivery of Common Stock (Equity Incentive Plans)             |                                                              |             |             |
| Conversion of Series C Mandatory Convertible Preferred Stock      | Conversion of Series C Mandatory Convertible Preferred Stock | —           | 30          |
| Repurchases of Common Stock                                       | Repurchases of Common Stock                                  | (52)        | (5,191,174) |
| End of Period                                                     | End of Period                                                | 8,611       | 861,110,478 |
| Additional Paid-In Capital                                        |                                                              |             |             |
| Additional Paid-In Capital                                        |                                                              |             |             |
| Beginning of Period                                               |                                                              | 8,997,435   |             |
| Exchange of KKR Holdings Units                                    |                                                              | 14,811      |             |
| Holdings Merger (See Note 1)                                      |                                                              | 8,131,679   |             |
| Tax Effects - Holdings Merger and Other (See Note 1)              |                                                              | (1,064,869) |             |
| Net Delivery of Common Stock                                      |                                                              | (65,751)    |             |
| Beginning of Period (as previously reported for the prior period) |                                                              |             |             |
| Beginning of Period (as previously reported for the prior period) |                                                              |             |             |
| Beginning of Period (as previously reported for the prior period) |                                                              |             |             |
| Adoption of New Accounting Standard (See Note 2)                  |                                                              |             |             |
| Adoption of New Accounting Standard (See Note 2)                  |                                                              |             |             |
| Adoption of New Accounting Standard (See Note 2)                  |                                                              |             |             |
| Beginning of Period (as revised for the prior period)             |                                                              |             |             |

Beginning of Period (as revised for the prior period)

Beginning of Period (as revised for the prior period)

Conversion of Series C Mandatory Convertible Preferred Stock

Conversion of Series C Mandatory Convertible Preferred Stock

Conversion of Series C Mandatory Convertible Preferred Stock

Excise Tax on Repurchases of Common Stock

Excise Tax on Repurchases of Common Stock

Excise Tax on Repurchases of Common Stock

Net Delivery of Common Stock (Equity Incentive Plans)

Net Delivery of Common Stock (Equity Incentive Plans)

Net Delivery of Common Stock (Equity Incentive Plans)

Repurchases of Common Stock

Repurchases of Common Stock

|                             |                             |           |
|-----------------------------|-----------------------------|-----------|
| Repurchases of Common Stock | Repurchases of Common Stock | (346,599) |
|-----------------------------|-----------------------------|-----------|

|                           |                           |         |
|---------------------------|---------------------------|---------|
| Equity-Based Compensation | Equity-Based Compensation | 215,711 |
|---------------------------|---------------------------|---------|

|                                                             |  |         |
|-------------------------------------------------------------|--|---------|
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 23) |  | 307,990 |
|-------------------------------------------------------------|--|---------|

Equity-Based Compensation

Equity-Based Compensation

Change in KKR & Co. Inc.'s Ownership Interest (See Note 22)

Change in KKR & Co. Inc.'s Ownership Interest (See Note 22)

Change in KKR & Co. Inc.'s Ownership Interest (See Note 22)

Tax Effects of Changes in Ownership and Other

Tax Effects of Changes in Ownership and Other

Tax Effects of Changes in Ownership and Other

End of Period

End of Period

|               |               |                   |
|---------------|---------------|-------------------|
| End of Period | End of Period | <u>16,190,407</u> |
|---------------|---------------|-------------------|

|                   |                   |  |
|-------------------|-------------------|--|
| Retained Earnings | Retained Earnings |  |
|-------------------|-------------------|--|

|                     |  |           |
|---------------------|--|-----------|
| Beginning of Period |  | 7,670,182 |
|---------------------|--|-----------|

Retained Earnings

Retained Earnings

Beginning of Period (as previously reported for the prior period)

Beginning of Period (as previously reported for the prior period)

Beginning of Period (as previously reported for the prior period)

Adoption of New Accounting Standard (See Note 2)

Adoption of New Accounting Standard (See Note 2)

Adoption of New Accounting Standard (See Note 2)

Beginning of Period (as revised for the prior period)

Beginning of Period (as revised for the prior period)

Beginning of Period (as revised for the prior period)

|                                                                             |                                |           |
|-----------------------------------------------------------------------------|--------------------------------|-----------|
| Net Income (Loss)                                                           | Net Income (Loss)              |           |
| Attributable to KKR & Co. Inc.                                              | Attributable to KKR & Co. Inc. | (841,130) |
| Series C Mandatory Convertible Preferred Stock Dividends (\$3.00 per share) |                                | (69,000)  |
| Common Stock Dividends (\$0.61 per share)                                   |                                | (444,341) |

Net Income (Loss) Attributable to KKR & Co. Inc.

Net Income (Loss) Attributable to KKR & Co. Inc.

Series C Mandatory Convertible Preferred Stock Dividends (\$2.25 per share)

Series C Mandatory Convertible Preferred Stock Dividends (\$2.25 per share)

Series C Mandatory Convertible Preferred Stock Dividends (\$2.25 per share)

Common Stock Dividends (\$0.650 per share)

Common Stock Dividends (\$0.650 per share)

Common Stock Dividends (\$0.650 per share)

End of Period

End of Period

|                                                            |                                                            |           |
|------------------------------------------------------------|------------------------------------------------------------|-----------|
| End of Period                                              | End of Period                                              | 6,315,711 |
| Accumulated Other Comprehensive Income (Loss) (net of tax) | Accumulated Other Comprehensive Income (Loss) (net of tax) |           |
| Beginning of Period                                        |                                                            | (209,789) |

Accumulated Other Comprehensive Income (Loss) (net of tax)

Accumulated Other Comprehensive Income (Loss) (net of tax)

Beginning of Period (as previously reported for the prior period)

Beginning of Period (as previously reported for the prior period)

|                                                                   |                                           |              |
|-------------------------------------------------------------------|-------------------------------------------|--------------|
| Beginning of Period (as previously reported for the prior period) |                                           |              |
| Adoption of New Accounting Standard (See Note 2)                  |                                           |              |
| Adoption of New Accounting Standard (See Note 2)                  |                                           |              |
| Adoption of New Accounting Standard (See Note 2)                  |                                           |              |
| Beginning of Period (as revised for the prior period)             |                                           |              |
| Beginning of Period (as revised for the prior period)             |                                           |              |
| Beginning of Period (as revised for the prior period)             |                                           |              |
| Other Comprehensive Income (Loss)                                 |                                           |              |
| Other Comprehensive Income (Loss)                                 |                                           |              |
| Other Comprehensive Income (Loss)                                 | Other Comprehensive Income (Loss)         | (4,350,381)  |
| Exchange of KKR Holdings Units                                    |                                           | (1,946)      |
| Holdings Merger (See Note 1)                                      |                                           | (1,172,442)  |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 23)       |                                           | (167,143)    |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22)       |                                           |              |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22)       |                                           |              |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22)       |                                           |              |
| End of Period                                                     |                                           |              |
| End of Period                                                     |                                           |              |
| End of Period                                                     | End of Period                             | (5,901,701)  |
| Total KKR & Co. Inc. Stockholders' Equity                         | Total KKR & Co. Inc. Stockholders' Equity | 17,728,820   |
| Noncontrolling Interests (See Note 23)                            |                                           | 35,778,000   |
| Total KKR & Co. Inc. Stockholders' Equity                         |                                           |              |
| Total KKR & Co. Inc. Stockholders' Equity                         |                                           |              |
| Noncontrolling Interests (See Note 22)                            |                                           |              |
| Noncontrolling Interests (See Note 22)                            |                                           |              |
| Noncontrolling Interests (See Note 22)                            |                                           |              |
| Total Equity                                                      |                                           |              |
| Total Equity                                                      |                                           |              |
| Total Equity                                                      | Total Equity                              | \$53,506,820 |
| Redeemable Noncontrolling Interests (See Note 24)                 |                                           | \$ 152,065   |

|                                                   |
|---------------------------------------------------|
| Redeemable Noncontrolling Interests (See Note 23) |
| Redeemable Noncontrolling Interests (See Note 23) |
| Redeemable Noncontrolling Interests (See Note 23) |

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KKR & CO. INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Continued)

(Amounts in Thousands, Except Share and Per Share Data)

|                                        | Year Ended December 31, |              |
|----------------------------------------|-------------------------|--------------|
|                                        | 2021                    |              |
|                                        | Amounts                 | Shares       |
| Series A and B Preferred Stock         |                         |              |
| Beginning of Period                    | \$ 482,554              | 20,000,000   |
| Redemption of Series A Preferred Stock | (332,988)               | (13,800,000) |
| Redemption of Series B Preferred Stock |                         |              |
| Stock                                  | (149,566)               | (6,200,000)  |
| End of Period                          | —                       | —            |

|                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>KKR &amp; CO. INC.</div> <div>CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)</div> <div>(Amounts in Thousands, Except Share and Per Share Data)</div> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>KKR &amp; CO. INC.</div> <div>CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)</div> <div>(Amounts in Thousands, Except Share and Per Share Data)</div> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>KKR &amp; CO. INC.</div> <div>CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)</div> <div>(Amounts in Thousands, Except Share and Per Share Data)</div> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|  | Year Ended December 31, 2022 |  | Year Ended December 31, 2022 |        |
|--|------------------------------|--|------------------------------|--------|
|  | Amounts                      |  | Amounts                      | Shares |

|                                                |
|------------------------------------------------|
| Series C Mandatory Convertible Preferred Stock |
| Series C Mandatory Convertible Preferred Stock |

|                                                |
|------------------------------------------------|
| Series C Mandatory Convertible Preferred Stock |
| Series C Mandatory Convertible Preferred Stock |

|                                                              |                                                |           |            |
|--------------------------------------------------------------|------------------------------------------------|-----------|------------|
| Series C Mandatory Convertible Preferred Stock               | Series C Mandatory Convertible Preferred Stock |           |            |
| Beginning of Period                                          | Beginning of Period                            | 1,115,792 | 23,000,000 |
| Beginning of Period                                          |                                                |           |            |
| Beginning of Period                                          |                                                |           |            |
| Conversion of Series C Mandatory Convertible Preferred Stock |                                                |           |            |
| End of Period                                                | End of Period                                  | 1,115,792 | 23,000,000 |

| Series I Preferred Stock                                     | Series I Preferred Stock                  |       |              |
|--------------------------------------------------------------|-------------------------------------------|-------|--------------|
| Beginning of Period                                          |                                           |       |              |
| Beginning of Period                                          |                                           |       |              |
| Beginning of Period                                          | Beginning of Period                       | —     | 1            |
| End of Period                                                | End of Period                             | —     | 1            |
| Series II Preferred Stock                                    | Series II Preferred Stock                 |       |              |
| Beginning of Period                                          | Beginning of Period                       | 2,756 | 275,626,493  |
| Beginning of Period                                          |                                           |       |              |
| Beginning of Period                                          |                                           |       |              |
| Cancellation of Series II Preferred Stock                    |                                           |       |              |
| - Holdings                                                   |                                           |       |              |
| Merger (See Note 1)                                          |                                           |       |              |
| Cancellation of Series II Preferred Stock                    | Cancellation of Series II Preferred Stock | (169) | (16,900,330) |
| End of Period                                                | End of Period                             | 2,587 | 258,726,163  |
| Common Stock                                                 | Common Stock                              |       |              |
| Beginning of Period                                          | Beginning of Period                       | 5,729 | 572,893,738  |
| Private Placement Share Issuance                             |                                           | 9     | 964,871      |
| Beginning of Period                                          |                                           |       |              |
| Beginning of Period                                          |                                           |       |              |
| Clawback of Transfer Restricted Shares                       |                                           |       |              |
| Exchange of KKR Holdings Units                               | Exchange of KKR Holdings Units            | 169   | 16,900,330   |
| Net Delivery of Common Stock                                 |                                           | 95    | 9,383,733    |
| Clawback of Transfer Restricted Shares                       |                                           | —     | (16,521)     |
| Holdings                                                     |                                           |       |              |
| Merger (See Note 1)                                          |                                           |       |              |
| Net Delivery of Common Stock (Equity Incentive Plans)        |                                           |       |              |
| Conversion of Series C Mandatory Convertible Preferred Stock |                                           |       |              |
| Repurchases of Common Stock                                  | Repurchases of Common Stock               | (45)  | (4,462,533)  |
| End of Period                                                |                                           |       |              |



|                                                             |               |       |             |
|-------------------------------------------------------------|---------------|-------|-------------|
| <b>Additional Paid-In Capital</b>                           |               |       |             |
| Beginning of Period (as previously reported)                |               |       |             |
| Beginning of Period (as previously reported)                |               |       |             |
| Beginning of Period (as previously reported)                |               |       |             |
| Adoption of New Accounting Standard (See Note 2)            |               |       |             |
| Adoption of New Accounting Standard (See Note 2)            |               |       |             |
| Adoption of New Accounting Standard (See Note 2)            |               |       |             |
| Beginning of Period                                         |               |       |             |
| Beginning of Period                                         |               |       |             |
| Beginning of Period                                         |               |       |             |
| Exchange of KKR Holdings Units                              |               |       |             |
| Exchange of KKR Holdings Units                              |               |       |             |
| Exchange of KKR Holdings Units                              |               |       |             |
| Holdings Merger (See Note 1)                                |               |       |             |
| Holdings Merger (See Note 1)                                |               |       |             |
| Holdings Merger (See Note 1)                                |               |       |             |
| Tax Effects - Holdings Merger and Other (See Note 1)        |               |       |             |
| Tax Effects - Holdings Merger and Other (See Note 1)        |               |       |             |
| Tax Effects - Holdings Merger and Other (See Note 1)        |               |       |             |
| Net Delivery of Common Stock (Equity Incentive Plans)       |               |       |             |
| Net Delivery of Common Stock (Equity Incentive Plans)       |               |       |             |
| Net Delivery of Common Stock (Equity Incentive Plans)       |               |       |             |
| Repurchases of Common Stock                                 |               |       |             |
| Repurchases of Common Stock                                 |               |       |             |
| Repurchases of Common Stock                                 |               |       |             |
| Equity-Based Compensation                                   |               |       |             |
| Equity-Based Compensation                                   |               |       |             |
| Equity-Based Compensation                                   |               |       |             |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22) |               |       |             |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22) |               |       |             |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22) |               |       |             |
| End of Period                                               | End of Period | 5,957 | 595,663,618 |
| <b>Additional Paid-In Capital</b>                           |               |       |             |
| Beginning of Period                                         | 8,687,817     |       |             |
| Private Placement Share Issuance                            | 38,454        |       |             |
| Exchange of KKR Holdings Units                              | 530,194       |       |             |
| Tax Effects - Exchange of KKR Holdings Units and Other      | 6,929         |       |             |

|                                                                             |           |
|-----------------------------------------------------------------------------|-----------|
| Net Delivery of Common Stock                                                | (166,939) |
| Repurchases of Common Stock                                                 | (269,665) |
| Equity-Based Compensation                                                   | 170,645   |
| End of Period                                                               |           |
| End of Period                                                               |           |
| <b>Retained Earnings</b>                                                    |           |
| <b>Retained Earnings</b>                                                    |           |
| <b>Retained Earnings</b>                                                    |           |
| Beginning of Period (as previously reported)                                |           |
| Beginning of Period (as previously reported)                                |           |
| Beginning of Period (as previously reported)                                |           |
| Adoption of New Accounting Standard (See Note 2)                            |           |
| Adoption of New Accounting Standard (See Note 2)                            |           |
| Adoption of New Accounting Standard (See Note 2)                            |           |
| Beginning of Period (as revised)                                            |           |
| Beginning of Period (as revised)                                            |           |
| Beginning of Period (as revised)                                            |           |
| Net Income (Loss) Attributable to KKR & Co. Inc.                            |           |
| Net Income (Loss) Attributable to KKR & Co. Inc.                            |           |
| Net Income (Loss) Attributable to KKR & Co. Inc.                            |           |
| Series C Mandatory Convertible Preferred Stock Dividends (\$3.00 per share) |           |
| Series C Mandatory Convertible Preferred Stock Dividends (\$3.00 per share) |           |
| Series C Mandatory Convertible Preferred Stock Dividends (\$3.00 per share) |           |
| Common Stock Dividends (\$0.610 per share)                                  |           |
| Common Stock Dividends (\$0.610 per share)                                  |           |
| Common Stock Dividends (\$0.610 per share)                                  |           |
| End of Period                                                               | 8,997,435 |
| <b>Retained Earnings</b>                                                    |           |
| Beginning of Period                                                         | 3,440,782 |
| Net Income (Loss) Attributable to KKR & Co. Inc.                            | 4,666,476 |
| Series A Preferred Stock Dividends (\$0.843750 per share)                   | (11,644)  |
| Redemption of Series A Preferred Stock                                      | (12,012)  |
| Series B Preferred Stock Dividends (\$1.218750 per share)                   | (7,557)   |
| Redemption of Series B Preferred Stock                                      | (5,434)   |
| Series C Mandatory Convertible Preferred Stock Dividends (\$3.00 per share) | (69,000)  |

|                                                             |                                                            |  |           |
|-------------------------------------------------------------|------------------------------------------------------------|--|-----------|
| Common Stock Dividends (\$0.57 per share)                   |                                                            |  | (331,429) |
| End of Period                                               |                                                            |  |           |
| End of Period                                               | End of Period                                              |  | 7,670,182 |
| Accumulated Other Comprehensive Income (Loss) (net of tax)  | Accumulated Other Comprehensive Income (Loss) (net of tax) |  |           |
| Beginning of Period                                         |                                                            |  | (18,612)  |
| Accumulated Other Comprehensive Income (Loss) (net of tax)  |                                                            |  |           |
| Accumulated Other Comprehensive Income (Loss) (net of tax)  |                                                            |  |           |
| Beginning of Period (as previously reported)                |                                                            |  |           |
| Beginning of Period (as previously reported)                |                                                            |  |           |
| Beginning of Period (as previously reported)                |                                                            |  |           |
| Adoption of New Accounting Standard (See Note 2)            |                                                            |  |           |
| Adoption of New Accounting Standard (See Note 2)            |                                                            |  |           |
| Adoption of New Accounting Standard (See Note 2)            |                                                            |  |           |
| Beginning of Period (as revised)                            |                                                            |  |           |
| Beginning of Period (as revised)                            |                                                            |  |           |
| Beginning of Period (as revised)                            |                                                            |  |           |
| Other Comprehensive Income (Loss)                           |                                                            |  |           |
| Other Comprehensive Income (Loss)                           |                                                            |  |           |
| Other Comprehensive Income (Loss)                           | Other Comprehensive Income (Loss)                          |  | (183,458) |
| Exchange of KKR Holdings Units                              | Exchange of KKR Holdings Units                             |  |           |
| Units                                                       | Units                                                      |  | (7,719)   |
| Exchange of KKR Holdings Units                              |                                                            |  |           |
| Exchange of KKR Holdings Units                              |                                                            |  |           |
| Holdings Merger (See Note 1)                                |                                                            |  |           |
| Holdings Merger (See Note 1)                                |                                                            |  |           |
| Holdings Merger (See Note 1)                                |                                                            |  |           |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22) |                                                            |  |           |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22) |                                                            |  |           |
| Change in KKR & Co. Inc.'s Ownership Interest (See Note 22) |                                                            |  |           |
| End of Period                                               |                                                            |  |           |
| End of Period                                               | End of Period                                              |  |           |
| End of Period                                               | End of Period                                              |  | (209,789) |

|                                                   |                                           |              |
|---------------------------------------------------|-------------------------------------------|--------------|
| Total KKR & Co. Inc. Stockholders' Equity         | Total KKR & Co. Inc. Stockholders' Equity | 17,582,164   |
| Noncontrolling Interests (See Note 23)            |                                           | 40,474,565   |
| Total KKR & Co. Inc. Stockholders' Equity         |                                           |              |
| Total KKR & Co. Inc. Stockholders' Equity         |                                           |              |
| Noncontrolling Interests (See Note 22)            |                                           |              |
| Noncontrolling Interests (See Note 22)            |                                           |              |
| Noncontrolling Interests (See Note 22)            |                                           |              |
| Total Equity                                      |                                           |              |
| Total Equity                                      |                                           |              |
| Total Equity                                      | Total Equity                              | \$58,056,729 |
| Redeemable Noncontrolling Interests (See Note 24) |                                           | \$ 82,491    |
| Redeemable Noncontrolling Interests (See Note 23) |                                           |              |
| Redeemable Noncontrolling Interests (See Note 23) |                                           |              |
| Redeemable Noncontrolling Interests (See Note 23) |                                           |              |

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|                                                |                                                | Year Ended December 31, 2020 |            | KKR & CO. INC.                                           |  |
|------------------------------------------------|------------------------------------------------|------------------------------|------------|----------------------------------------------------------|--|
|                                                |                                                | Amounts                      |            | CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Continued) |  |
|                                                |                                                | Shares                       |            | (Amounts in Thousands, Except Share and Per Share Data)  |  |
|                                                |                                                | Year Ended December 31, 2021 |            | Year Ended December 31, 2021                             |  |
|                                                |                                                | Amounts                      |            | Amounts                                                  |  |
|                                                |                                                | Shares                       |            |                                                          |  |
| Series A and B Preferred Stock                 | Series A and B Preferred Stock                 |                              |            |                                                          |  |
| Beginning of Period                            | Beginning of Period                            | \$ 482,554                   | 20,000,000 |                                                          |  |
| Beginning of Period                            |                                                |                              |            |                                                          |  |
| Beginning of Period                            |                                                |                              |            |                                                          |  |
| Redemption of Series A Preferred Stock         |                                                |                              |            |                                                          |  |
| Redemption of Series B Preferred Stock         |                                                |                              |            |                                                          |  |
| End of Period                                  | End of Period                                  | 482,554                      | 20,000,000 |                                                          |  |
| Series C Mandatory Convertible Preferred Stock | Series C Mandatory Convertible Preferred Stock |                              |            |                                                          |  |
| Beginning of Period                            | Beginning of Period                            | —                            | —          |                                                          |  |

|                                                                                    |                                           |           |              |
|------------------------------------------------------------------------------------|-------------------------------------------|-----------|--------------|
| Issuance of Series C Mandatory Convertible Preferred Stock (net of issuance costs) |                                           | 1,115,792 | 23,000,000   |
| Beginning of Period                                                                |                                           |           |              |
| Beginning of Period                                                                |                                           |           |              |
| End of Period                                                                      | End of Period                             | 1,115,792 | 23,000,000   |
| <b>Series I</b>                                                                    | <b>Series I</b>                           |           |              |
| <b>Preferred Stock</b>                                                             | <b>Preferred Stock</b>                    |           |              |
| Beginning of Period                                                                | Beginning of Period                       | —         | 1            |
| Beginning of Period                                                                |                                           |           |              |
| Beginning of Period                                                                |                                           |           |              |
| End of Period                                                                      | End of Period                             | —         | 1            |
| <b>Series II</b>                                                                   | <b>Series II</b>                          |           |              |
| <b>Preferred Stock</b>                                                             | <b>Preferred Stock</b>                    |           |              |
| Beginning of Period                                                                |                                           |           |              |
| Beginning of Period                                                                |                                           |           |              |
| Beginning of Period                                                                | Beginning of Period                       | 2,904     | 290,381,345  |
| Cancellation of Series II Preferred Stock                                          | Cancellation of Series II Preferred Stock | (148)     | (14,754,852) |
| End of Period                                                                      | End of Period                             | 2,756     | 275,626,493  |
| <b>Common Stock</b>                                                                | <b>Common Stock</b>                       |           |              |
| Beginning of Period                                                                | Beginning of Period                       | 5,600     | 560,007,579  |
| Beginning of Period                                                                |                                           |           |              |
| Beginning of Period                                                                |                                           |           |              |
| Private Placement Share Issuance                                                   |                                           |           |              |
| Exchange of KKR Holdings Units                                                     | Exchange of KKR Holdings Units            | 148       | 14,754,852   |
| Net Delivery of Common Stock                                                       |                                           | 83        | 8,355,264    |
| Net Delivery of Common Stock (Equity Incentive Plans)                              |                                           |           |              |
| Clawback of Transfer Restricted Shares                                             | Clawback of Transfer Restricted Shares    | —         | (14,284)     |
| Repurchases of Common Stock                                                        | Repurchases of Common Stock               | (102)     | (10,209,673) |
| End of Period                                                                      |                                           |           |              |
| End of Period                                                                      |                                           |           |              |
| End of Period                                                                      | End of Period                             | 5,729     | 572,893,738  |
| <b>Additional Paid-In Capital</b>                                                  | <b>Additional Paid-In Capital</b>         |           |              |

|                                                        |                                                        |           |
|--------------------------------------------------------|--------------------------------------------------------|-----------|
| Beginning of Period                                    | Beginning of Period                                    | 8,565,919 |
| Beginning of Period                                    |                                                        |           |
| Beginning of Period                                    |                                                        |           |
| Private Placement Share Issuance                       |                                                        |           |
| Private Placement Share Issuance                       |                                                        |           |
| Private Placement Share Issuance                       |                                                        |           |
| Exchange of KKR Holdings Units                         |                                                        |           |
| Exchange of KKR Holdings Units                         |                                                        |           |
| Exchange of KKR Holdings Units                         | Exchange of KKR Holdings Units                         | 293,057   |
| Tax Effects - Exchange of KKR Holdings Units and Other | Tax Effects - Exchange of KKR Holdings Units and Other | (9,167)   |
| Net Delivery of Common Stock                           |                                                        | (78,400)  |
| Tax Effects - Exchange of KKR Holdings Units and Other |                                                        |           |
| Tax Effects - Exchange of KKR Holdings Units and Other |                                                        |           |
| Net Delivery of Common Stock (Equity Incentive Plans)  |                                                        |           |
| Net Delivery of Common Stock (Equity Incentive Plans)  |                                                        |           |
| Net Delivery of Common Stock (Equity Incentive Plans)  |                                                        |           |
| Repurchases of Common Stock                            |                                                        |           |
| Repurchases of Common Stock                            |                                                        |           |
| Repurchases of Common Stock                            | Repurchases of Common Stock                            | (246,058) |
| Equity-Based Compensation                              | Equity-Based Compensation                              | 193,750   |
| Transfer of Interests Under Common Control             |                                                        | 14,385    |
| Transfer of Oil and Gas Interests (See Note 2)         |                                                        | (45,669)  |
| Equity-Based Compensation                              |                                                        |           |
| Equity-Based Compensation                              |                                                        |           |
| End of Period                                          |                                                        |           |
| End of Period                                          |                                                        |           |
| End of Period                                          | End of Period                                          | 8,687,817 |
| Retained Earnings                                      | Retained Earnings                                      |           |
| Retained Earnings                                      |                                                        |           |
| Retained Earnings                                      |                                                        |           |
| Beginning of Period                                    |                                                        |           |
| Beginning of Period                                    |                                                        |           |
| Beginning of Period                                    | Beginning of Period                                    | 1,792,152 |

|                                  |                 |           |
|----------------------------------|-----------------|-----------|
| Net Income                       | Net Income      |           |
| (Loss)                           | (Loss)          |           |
| Attributable to                  | Attributable to |           |
| KKR & Co.                        | KKR & Co.       |           |
| Inc.                             | Inc.            | 2,002,509 |
| Series A Preferred Stock         |                 |           |
| Dividends (\$1.687500 per share) | (23,288)        |           |
| Series B Preferred Stock         |                 |           |
| Dividends (\$1.625000 per share) | (10,076)        |           |
| Series C Mandatory Convertible   |                 |           |
| Preferred Stock Dividends        |                 |           |
| (\$1.008300 per share)           | (23,191)        |           |
| Common Stock Dividends (\$0.53   |                 |           |
| per share)                       | (297,324)       |           |

|                                   |  |
|-----------------------------------|--|
| Net Income (Loss) Attributable to |  |
| KKR & Co. Inc.                    |  |
| Net Income (Loss) Attributable to |  |
| KKR & Co. Inc.                    |  |
| Series A Preferred Stock          |  |
| Dividends (\$0.843750 per share)  |  |
| Series A Preferred Stock          |  |
| Dividends (\$0.843750 per share)  |  |
| Series A Preferred Stock          |  |
| Dividends (\$0.843750 per share)  |  |
| Redemption of Series A            |  |
| Preferred Stock                   |  |
| Redemption of Series A            |  |
| Preferred Stock                   |  |
| Redemption of Series A            |  |
| Preferred Stock                   |  |
| Series B Preferred Stock          |  |
| Dividends (\$1.218750 per share)  |  |
| Series B Preferred Stock          |  |
| Dividends (\$1.218750 per share)  |  |
| Series B Preferred Stock          |  |
| Dividends (\$1.218750 per share)  |  |
| Redemption of Series B            |  |
| Preferred Stock                   |  |
| Redemption of Series B            |  |
| Preferred Stock                   |  |
| Redemption of Series B            |  |
| Preferred Stock                   |  |
| Series C Mandatory Convertible    |  |
| Preferred Stock Dividends (\$3.00 |  |
| per share)                        |  |
| Series C Mandatory Convertible    |  |
| Preferred Stock Dividends (\$3.00 |  |
| per share)                        |  |
| Series C Mandatory Convertible    |  |
| Preferred Stock Dividends (\$3.00 |  |
| per share)                        |  |
| Common Stock Dividends (\$0.57    |  |
| per share)                        |  |
| Common Stock Dividends (\$0.57    |  |
| per share)                        |  |
| Common Stock Dividends (\$0.57    |  |
| per share)                        |  |
| End of Period                     |  |
| End of Period                     |  |

|               |               |           |
|---------------|---------------|-----------|
| End of Period | End of Period | 3,440,782 |
| Accumulated   | Accumulated   |           |
| Other         | Other         |           |
| Comprehensive | Comprehensive |           |
| Income (Loss) | Income (Loss) |           |
| (net of tax)  | (net of tax)  |           |



|                                                            |                                           |              |
|------------------------------------------------------------|-------------------------------------------|--------------|
| Accumulated Other Comprehensive Income (Loss) (net of tax) |                                           |              |
| Accumulated Other Comprehensive Income (Loss) (net of tax) |                                           |              |
| Beginning of Period                                        | Beginning of Period                       | (41,639)     |
| Foreign Currency Translation                               |                                           | 24,559       |
| Beginning of Period                                        |                                           |              |
| Beginning of Period                                        |                                           |              |
| Other Comprehensive Income (Loss)                          |                                           |              |
| Other Comprehensive Income (Loss)                          |                                           |              |
| Other Comprehensive Income (Loss)                          |                                           |              |
| Exchange of KKR Holdings Units                             | Exchange of KKR Holdings Units            | (1,532)      |
| Exchange of KKR Holdings Units                             |                                           |              |
| Exchange of KKR Holdings Units                             |                                           |              |
| End of Period                                              |                                           |              |
| End of Period                                              |                                           |              |
| End of Period                                              | End of Period                             | (18,612)     |
| Total KKR & Co. Inc. Stockholders' Equity                  | Total KKR & Co. Inc. Stockholders' Equity | 13,716,818   |
| Noncontrolling Interests (See Note 23)                     |                                           | 27,083,098   |
| Total KKR & Co. Inc. Stockholders' Equity                  |                                           |              |
| Total KKR & Co. Inc. Stockholders' Equity                  |                                           |              |
| Noncontrolling Interests (See Note 22)                     |                                           |              |
| Noncontrolling Interests (See Note 22)                     |                                           |              |
| Noncontrolling Interests (See Note 22)                     |                                           |              |
| Total Equity                                               | Total Equity                              | \$40,799,916 |
| Total Equity                                               |                                           |              |
| Total Equity                                               |                                           |              |
| Redeemable Noncontrolling Interests (See Note 23)          |                                           |              |
| Redeemable Noncontrolling Interests (See Note 23)          |                                           |              |
| Redeemable Noncontrolling Interests (See Note 23)          |                                           |              |

See notes to financial statements.

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KKR & CO. INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Amounts in Thousands)

|                                                                                                 |                                                                                                 | Years Ended December 31, |               |              |      |      |      |  |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------|---------------|--------------|------|------|------|--|
|                                                                                                 |                                                                                                 | 2022                     | 2021          | 2020         |      |      |      |  |
|                                                                                                 |                                                                                                 | Years Ended December 31, |               |              | 2023 | 2022 | 2021 |  |
| Operating Activities                                                                            | Operating Activities                                                                            |                          |               |              |      |      |      |  |
| Net Income (Loss)                                                                               | Net Income (Loss)                                                                               | \$ (1,023,528)           | \$ 12,295,179 | \$ 5,117,598 |      |      |      |  |
| Net Income (Loss)                                                                               |                                                                                                 |                          |               |              |      |      |      |  |
| Net Income (Loss)                                                                               |                                                                                                 |                          |               |              |      |      |      |  |
| Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities: | Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities: |                          |               |              |      |      |      |  |
| Equity-Based and Other Non-Cash Compensation                                                    |                                                                                                 |                          |               |              |      |      |      |  |
| Equity-Based and Other Non-Cash Compensation                                                    |                                                                                                 |                          |               |              |      |      |      |  |
| Equity-Based and Other Non-Cash Compensation                                                    | Equity-Based and Other Non-Cash Compensation                                                    | 730,236                  | 529,816       | 326,758      |      |      |      |  |
| Net Realized Gains - Asset Management                                                           | Net Realized Gains - Asset Management                                                           | (1,298,506)              | (2,382,209)   | (162,939)    |      |      |      |  |
| Change in Unrealized Gains - Asset Management                                                   | Change in Unrealized Gains - Asset Management                                                   | 2,964,043                | (5,338,714)   | (3,479,865)  |      |      |      |  |
| Capital Allocation-Based (Income) Loss - Asset Management                                       | Capital Allocation-Based (Income) Loss - Asset Management                                       | 2,500,509                | (6,842,414)   | (2,224,100)  |      |      |      |  |
| Net Investment-Related (Gains) Losses - Insurance                                               |                                                                                                 | 1,035,879                | 860,165       | —            |      |      |      |  |
| Net Investment and Policy Liability-Related (Gains) Losses - Insurance                          |                                                                                                 |                          |               |              |      |      |      |  |

|                                                                                                                   |                                                                                                                   |           |             |          |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-----------|-------------|----------|
| Net Accretion and Amortization                                                                                    | Net Accretion and Amortization                                                                                    | 364,162   | 386,867     | (64,154) |
| Interest Credited to Policyholder Account Balances (net of Policy Fees) - Insurance                               | Interest Credited to Policyholder Account Balances (net of Policy Fees) - Insurance                               | 1,245,467 | 1,740,965   | —        |
| Other Non-Cash Amounts                                                                                            | Other Non-Cash Amounts                                                                                            | 77,780    | (102,871)   | 10,901   |
| Cash Flows Due to Changes in Operating Assets and Liabilities:                                                    | Cash Flows Due to Changes in Operating Assets and Liabilities:                                                    |           |             |          |
| Reinsurance Transactions and Acquisitions, Net of Cash Provided - Insurance                                       |                                                                                                                   |           |             |          |
| Reinsurance Transactions and Acquisitions, Net of Cash Provided - Insurance                                       | Reinsurance Transactions and Acquisitions, Net of Cash Provided - Insurance                                       | 1,282,677 | 1,373,597   | —        |
| Change in Premiums, Notes Receivable and Reinsurance Recoverable, Net of Reinsurance Premiums Payable - Insurance | Change in Premiums, Notes Receivable and Reinsurance Recoverable, Net of Reinsurance Premiums Payable - Insurance | 685,487   | 685,802     | —        |
| Change in Deferred Policy Acquisition Costs - Insurance                                                           | Change in Deferred Policy Acquisition Costs - Insurance                                                           | (483,449) | (412,671)   | —        |
| Change in Policy Liabilities and Accruals, Net - Insurance                                                        | Change in Policy Liabilities and Accruals, Net - Insurance                                                        | (160,765) | (1,166,726) | —        |
| Change in Consolidation                                                                                           | Change in Consolidation                                                                                           | (66,593)  | (373,761)   | 8,624    |

|                                                                   |                                                         |                    |                    |                    |
|-------------------------------------------------------------------|---------------------------------------------------------|--------------------|--------------------|--------------------|
| Change in Due from / to Affiliates                                | Change in Due from / to Affiliates                      | (459,226)          | (431,292)          | (214,227)          |
| Change in Other Assets                                            | Change in Other Assets                                  | 874,463            | 465,288            | (571,336)          |
| Change in Accrued Expenses and Other Liabilities                  | Change in Accrued Expenses and Other Liabilities        | (3,122,805)        | 2,143,039          | 1,187,516          |
| Investments Purchased - Asset Management                          | Investments Purchased - Asset Management                | (38,934,027)       | (73,509,382)       | (47,577,486)       |
| Proceeds from Investments - Asset Management                      | Proceeds from Investments - Asset Management            | 28,508,937         | 62,902,614         | 41,689,017         |
| <b>Net Cash Provided (Used) by Operating Activities</b>           | <b>Net Cash Provided (Used) by Operating Activities</b> | <b>(5,279,259)</b> | <b>(7,176,708)</b> | <b>(5,953,693)</b> |
| <b>Investing Activities</b>                                       | <b>Investing Activities</b>                             |                    |                    |                    |
| Acquisition of Global Atlantic, Net of Cash Acquired (See Note 3) |                                                         | —                  | (473,779)          | —                  |
| Acquisition of KJRM, Net of Cash Acquired (See Note 3)            |                                                         | (1,690,702)        | —                  | —                  |
| <b>Investing Activities</b>                                       |                                                         |                    |                    |                    |
| <b>Investing Activities</b>                                       |                                                         |                    |                    |                    |
| Acquisition of Global Atlantic, Net of Cash Acquired              |                                                         |                    |                    |                    |
| Acquisition of Global Atlantic, Net of Cash Acquired              |                                                         |                    |                    |                    |
| Acquisition of Global Atlantic, Net of Cash Acquired              |                                                         |                    |                    |                    |
| Acquisition of KJRM, Net of Cash Acquired                         |                                                         |                    |                    |                    |
| Purchases of Fixed Assets                                         | Purchases of Fixed Assets                               | (85,056)           | (102,049)          | (142,258)          |
| Investments Purchased - Insurance                                 | Investments Purchased - Insurance                       | (47,191,313)       | (58,617,575)       | —                  |
| Proceeds from Investments - Insurance                             | Proceeds from Investments - Insurance                   | 35,356,268         | 49,567,361         | —                  |
| Other Investing Activities, Net - Insurance                       | Other Investing Activities, Net - Insurance             | (36,469)           | 20,494             | —                  |
| Development of Oil and Natural Gas Properties                     |                                                         | —                  | —                  | (11,128)           |
| <b>Net Cash Provided (Used) by Investing Activities</b>           |                                                         |                    |                    |                    |

| Net Cash Provided (Used)<br>by Investing Activities                                      |                                                                      |              |             |             |
|------------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------|-------------|-------------|
| Net Cash<br>Provided<br>(Used) by<br>Investing<br>Activities                             | Net Cash<br>Provided<br>(Used) by<br>Investing<br>Activities         | (13,647,272) | (9,605,548) | (153,386)   |
| Financing<br>Activities                                                                  | Financing<br>Activities                                              |              |             |             |
| Financing Activities                                                                     |                                                                      |              |             |             |
| Financing Activities                                                                     |                                                                      |              |             |             |
| Series A and B Preferred Stock<br>Dividends                                              |                                                                      |              |             |             |
| Series A and B Preferred Stock<br>Dividends                                              |                                                                      |              |             |             |
| Series A and B<br>Preferred Stock<br>Dividends                                           | Series A and B<br>Preferred Stock<br>Dividends                       | —            | (19,201)    | (33,364)    |
| Series C<br>Mandatory<br>Convertible<br>Preferred Stock<br>Dividends                     | Series C<br>Mandatory<br>Convertible<br>Preferred Stock<br>Dividends | (69,000)     | (69,000)    | (23,191)    |
| Common Stock<br>Dividends                                                                | Common Stock<br>Dividends                                            | (444,341)    | (331,429)   | (297,324)   |
| Distributions to<br>Redeemable<br>Noncontrolling<br>Interests                            | Distributions to<br>Redeemable<br>Noncontrolling<br>Interests        | (2,540)      | (2,015)     | —           |
| Contributions<br>from<br>Redeemable<br>Noncontrolling<br>Interests                       | Contributions<br>from<br>Redeemable<br>Noncontrolling<br>Interests   | 69,322       | —           | —           |
| Distributions to<br>Noncontrolling<br>Interests                                          | Distributions to<br>Noncontrolling<br>Interests                      | (7,039,914)  | (7,484,620) | (5,160,539) |
| Contributions<br>from<br>Noncontrolling<br>Interests                                     | Contributions<br>from<br>Noncontrolling<br>Interests                 | 13,622,035   | 13,847,646  | 9,242,255   |
| Issuance of Series C Mandatory<br>Convertible Preferred Stock (net<br>of issuance costs) |                                                                      |              |             |             |
|                                                                                          |                                                                      | —            | —           | 1,115,792   |
| Redemption of Series A and B<br>Preferred Stock                                          |                                                                      |              |             |             |
| Redemption of Series A and B<br>Preferred Stock                                          |                                                                      |              |             |             |
| Redemption of<br>Series A and B<br>Preferred Stock                                       | Redemption of<br>Series A and B<br>Preferred Stock                   | —            | (500,000)   | —           |
| Net Delivery of<br>Common Stock<br>(Equity<br>Incentive Plans)                           | Net Delivery of<br>Common Stock<br>(Equity<br>Incentive Plans)       | (65,717)     | (166,844)   | (78,317)    |
| Repurchases of<br>Common Stock                                                           | Repurchases of<br>Common Stock                                       | (346,651)    | (269,710)   | (246,160)   |

|                                                           |                      |              |              |              |
|-----------------------------------------------------------|----------------------|--------------|--------------|--------------|
| Private Placement                                         | Private Placement    |              |              |              |
| Share Issuance                                            | Share Issuance       | —            | 38,463       | —            |
| Proceeds from Debt                                        | Proceeds from Debt   |              |              |              |
| Obligations                                               | Obligations          | 20,439,101   | 30,369,415   | 16,620,416   |
| Repayment of Debt                                         | Repayment of Debt    |              |              |              |
| Obligations                                               | Obligations          | (13,910,767) | (21,473,835) | (11,293,648) |
| Financing Costs Paid                                      | Financing Costs Paid | (33,276)     | (128,753)    | (42,216)     |
| Additions to Contractholder Deposit Funds - Insurance     |                      |              |              |              |
| Withdrawals from Contractholder Deposit Funds - Insurance |                      |              |              |              |

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|                                                                               |                                                                               | Years Ended December 31, |                   |                  |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------|-------------------|------------------|
|                                                                               |                                                                               | 2022                     | 2021              | 2020             |
| Additions to Contractholder Deposit Funds                                     |                                                                               |                          |                   |                  |
| - Insurance                                                                   |                                                                               | 22,592,703               | 14,720,510        | —                |
| Withdrawals from Contractholder Deposit Funds - Insurance                     |                                                                               | (13,315,401)             | (8,777,045)       | —                |
|                                                                               |                                                                               | Years Ended December 31, |                   |                  |
|                                                                               |                                                                               | 2023                     | 2022              | 2021             |
| Reinsurance Transactions, Net of Cash Provided - Insurance                    | Reinsurance Transactions, Net of Cash Provided - Insurance                    | 69,596                   | 610,314           | —                |
| Other Financing Activity, Net - Insurance                                     | Other Financing Activity, Net - Insurance                                     | 490,216                  | 98                | —                |
| <b>Net Cash Provided (Used) by Financing Activities</b>                       | <b>Net Cash Provided (Used) by Financing Activities</b>                       | <b>22,055,366</b>        | <b>20,363,994</b> | <b>9,803,704</b> |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | Effect of exchange rate changes on cash, cash equivalents and restricted cash | (269,769)                | (48,891)          | 59,416           |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash |                                                                               |                          |                   |                  |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash |                                                                               |                          |                   |                  |
| <b>Net Increase/(Decrease) in Cash, Cash Equivalents and Restricted Cash</b>  |                                                                               |                          |                   |                  |
| <b>Net Increase/(Decrease) in Cash, Cash Equivalents and Restricted Cash</b>  |                                                                               |                          |                   |                  |

|                                                                            |                                                                            |               |               |              |
|----------------------------------------------------------------------------|----------------------------------------------------------------------------|---------------|---------------|--------------|
| Net Increase/(Decrease) in Cash, Cash Equivalents and Restricted Cash      | Net Increase/(Decrease) in Cash, Cash Equivalents and Restricted Cash      | \$ 2,859,066  | \$ 3,532,847  | \$ 3,756,041 |
| Cash, Cash Equivalents and Restricted Cash, Beginning of Period            | Cash, Cash Equivalents and Restricted Cash, Beginning of Period            | 10,526,304    | 6,993,457     | 3,237,416    |
| Cash, Cash Equivalents and Restricted Cash, End of Period                  | Cash, Cash Equivalents and Restricted Cash, End of Period                  | \$ 13,385,370 | \$ 10,526,304 | \$ 6,993,457 |
| Cash, Cash Equivalents and Restricted Cash are comprised of the following: |                                                                            |               |               |              |
| Cash, Cash Equivalents and Restricted Cash are comprised of the following: |                                                                            |               |               |              |
| Cash, Cash Equivalents and Restricted Cash are comprised of the following: | Cash, Cash Equivalents and Restricted Cash are comprised of the following: |               |               |              |
| Beginning of the Period                                                    | Beginning of the Period                                                    |               |               |              |
| Beginning of the Period                                                    |                                                                            |               |               |              |
| Beginning of the Period                                                    |                                                                            |               |               |              |
| Asset Management                                                           | Asset Management                                                           |               |               |              |
| Asset Management                                                           |                                                                            |               |               |              |
| Asset Management                                                           |                                                                            |               |               |              |
| Cash and Cash Equivalents                                                  |                                                                            |               |               |              |
| Cash and Cash Equivalents                                                  |                                                                            |               |               |              |
| Cash and Cash Equivalents                                                  | Cash and Cash Equivalents                                                  | \$ 6,699,668  | \$ 6,507,874  | \$ 3,163,154 |
| Restricted Cash and Cash Equivalents                                       | Restricted Cash and Cash Equivalents                                       | 134,298       | 485,583       | 74,262       |
| Total Asset Management                                                     | Total Asset Management                                                     | 6,833,966     | 6,993,457     | 3,237,416    |
| Insurance                                                                  | Insurance                                                                  |               |               |              |
| Cash and Cash Equivalents                                                  | Cash and Cash Equivalents                                                  | \$ 3,391,934  | \$ —          | \$ —         |
| Cash and Cash Equivalents                                                  |                                                                            |               |               |              |
| Cash and Cash Equivalents                                                  |                                                                            |               |               |              |
| Restricted Cash and Cash Equivalents                                       | Restricted Cash and Cash Equivalents                                       | 300,404       | —             | —            |
| Total Insurance                                                            | Total Insurance                                                            | 3,692,338     | —             | —            |
| Cash, Cash Equivalents and Restricted Cash, Beginning of Period            | Cash, Cash Equivalents and Restricted Cash, Beginning of Period            | \$ 10,526,304 | \$ 6,993,457  | \$ 3,237,416 |
| Cash, Cash Equivalents and Restricted Cash, Beginning of Period            |                                                                            |               |               |              |



|                                                                 |                                                           |               |               |              |
|-----------------------------------------------------------------|-----------------------------------------------------------|---------------|---------------|--------------|
| Cash, Cash Equivalents and Restricted Cash, Beginning of Period |                                                           |               |               |              |
| End of the Period                                               | End of the Period                                         |               |               |              |
| End of the Period                                               |                                                           |               |               |              |
| End of the Period                                               |                                                           |               |               |              |
| Asset Management                                                | Asset Management                                          |               |               |              |
| Asset Management                                                |                                                           |               |               |              |
| Asset Management                                                |                                                           |               |               |              |
| Cash and Cash Equivalents                                       |                                                           |               |               |              |
| Cash and Cash Equivalents                                       |                                                           |               |               |              |
| Cash and Cash Equivalents                                       | Cash and Cash Equivalents                                 | \$ 6,705,325  | \$ 6,699,668  | \$ 6,507,874 |
| Restricted Cash and Cash Equivalents                            | Restricted Cash and Cash Equivalents                      | 253,431       | 134,298       | 485,583      |
| Total Asset Management                                          | Total Asset Management                                    | 6,958,756     | 6,833,966     | 6,993,457    |
| Insurance                                                       |                                                           |               |               |              |
| Cash and Cash Equivalents                                       | Cash and Cash Equivalents                                 | \$ 6,118,231  | \$ 3,391,934  | \$ —         |
| Cash and Cash Equivalents                                       |                                                           |               |               |              |
| Cash and Cash Equivalents                                       |                                                           |               |               |              |
| Restricted Cash and Cash Equivalents                            | Restricted Cash and Cash Equivalents                      | 308,383       | 300,404       | —            |
| Total Insurance                                                 | Total Insurance                                           | 6,426,614     | 3,692,338     | —            |
| Cash, Cash Equivalents and Restricted Cash, End of Period       | Cash, Cash Equivalents and Restricted Cash, End of Period | \$ 13,385,370 | \$ 10,526,304 | \$ 6,993,457 |
| Cash, Cash Equivalents and Restricted Cash, End of Period       |                                                           |               |               |              |
| Cash, Cash Equivalents and Restricted Cash, End of Period       |                                                           |               |               |              |

See notes to financial statements.

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KKR & CO. INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued) (CONTINUED)

(Amounts in Thousands)

|                                                   |                                                   | Years Ended December 31, |              |              |      | Years Ended December 31, |      |
|---------------------------------------------------|---------------------------------------------------|--------------------------|--------------|--------------|------|--------------------------|------|
|                                                   |                                                   | 2022                     | 2021         | 2020         | 2023 | 2022                     | 2021 |
| Supplemental Disclosures of Cash Flow Information | Supplemental Disclosures of Cash Flow Information |                          |              |              |      |                          |      |
| Payments for Interest                             | Payments for Interest                             | \$ 1,500,123             | \$ 1,241,886 | \$ 1,045,297 |      |                          |      |
| Payments for Interest                             |                                                   |                          |              |              |      |                          |      |
| Payments for Interest                             |                                                   |                          |              |              |      |                          |      |

|                                    |                       |    |             |    |           |
|------------------------------------|-----------------------|----|-------------|----|-----------|
| Payments for                       | Payments for          |    |             |    |           |
| Income Taxes                       | Income Taxes          | \$ | 764,966     | \$ | 658,578   |
|                                    |                       |    |             | \$ | 179,915   |
| Payments for                       | Payments for          |    |             |    |           |
| Operating                          | Operating             |    |             |    |           |
| Lease                              | Lease                 |    |             |    |           |
| Liabilities                        | Liabilities           | \$ | 52,184      | \$ | 46,585    |
|                                    |                       |    |             | \$ | 54,056    |
| <b>Supplemental</b>                | <b>Supplemental</b>   |    |             |    |           |
| <b>Disclosures of</b>              | <b>Disclosures of</b> |    |             |    |           |
| <b>Non-Cash</b>                    | <b>Non-Cash</b>       |    |             |    |           |
| <b>Investing and</b>               | <b>Investing and</b>  |    |             |    |           |
| <b>Financing</b>                   | <b>Financing</b>      |    |             |    |           |
| <b>Activities</b>                  | <b>Activities</b>     |    |             |    |           |
| Equity-Based and Other Non-        |                       |    |             |    |           |
| Cash Contributions                 |                       | \$ | 578,492     | \$ | 434,278   |
|                                    |                       |    |             | \$ | 327,134   |
| <b>Supplemental Disclosures of</b> |                       |    |             |    |           |
| <b>Non-Cash Investing and</b>      |                       |    |             |    |           |
| <b>Financing Activities</b>        |                       |    |             |    |           |
| <b>Supplemental Disclosures of</b> |                       |    |             |    |           |
| <b>Non-Cash Investing and</b>      |                       |    |             |    |           |
| <b>Financing Activities</b>        |                       |    |             |    |           |
| Non-Cash                           | Non-Cash              |    |             |    |           |
| Contribution                       | Contribution          |    |             |    |           |
| from                               | from                  |    |             |    |           |
| Noncontrolling                     | Noncontrolling        |    |             |    |           |
| Interests                          | Interests             | \$ | 84,786      | \$ | 845,943   |
|                                    |                       |    |             | \$ | 618,452   |
| Non-Cash Contribution from         |                       |    |             |    |           |
| Noncontrolling Interests           |                       |    |             |    |           |
| Non-Cash Contribution from         |                       |    |             |    |           |
| Noncontrolling Interests           |                       |    |             |    |           |
| Non-Cash                           |                       |    |             |    |           |
| Distribution to                    |                       |    |             |    |           |
| Noncontrolling                     |                       |    |             |    |           |
| Interests                          |                       |    |             |    |           |
| Non-Cash                           | Non-Cash              |    |             |    |           |
| Distribution to                    | Distribution to       |    |             |    |           |
| Redeemable                         | Redeemable            |    |             |    |           |
| Noncontrolling                     | Noncontrolling        |    |             |    |           |
| Interests                          | Interests             | \$ | —           | \$ | (11,399)  |
|                                    |                       |    |             | \$ | —         |
| Debt                               | Debt                  |    |             |    |           |
| Obligations -                      | Obligations -         |    |             |    |           |
| Net Gains                          | Net Gains             |    |             |    |           |
| (Losses),                          | (Losses),             |    |             |    |           |
| Translation                        | Translation           |    |             |    |           |
| and Other                          | and Other             | \$ | 2,022,751   | \$ | 593,699   |
|                                    |                       |    |             | \$ | (849,179) |
| Holdings Merger (See Note 1)       |                       | \$ | 6,959,322   | \$ | —         |
|                                    |                       |    |             | \$ | —         |
| Tax Effects -                      | Tax Effects -         |    |             |    |           |
| Exchange of                        | Exchange of           |    |             |    |           |
| KKR Holdings                       | KKR Holdings          |    |             |    |           |
| L.P. Units and                     | L.P. Units and        |    |             |    |           |
| Other (See                         | Other (See            |    |             |    |           |
| Note 1)                            | Note 1)               | \$ | (1,064,869) | \$ | 6,929     |
|                                    |                       |    |             | \$ | (9,167)   |
| Transfer of Oil and Natural Gas    |                       |    |             |    |           |
| Properties                         |                       | \$ | —           | \$ | —         |
|                                    |                       |    |             | \$ | (69,027)  |
| Tax Effects - Exchange of KKR      |                       |    |             |    |           |
| Holdings L.P. Units and Other      |                       |    |             |    |           |
| (See Note 1)                       |                       |    |             |    |           |

|                                                                               |                                                                      |              |                |            |  |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------|----------------|------------|--|
| Tax Effects - Exchange of KKR Holdings L.P. Units and Other (See Note 1)      |                                                                      |              |                |            |  |
| Tax Effects of Changes in Ownership and Other                                 |                                                                      |              |                |            |  |
| Right-of-Use Assets obtained in Exchange for new Operating Lease              | Right-of-Use Assets obtained in Exchange for new Operating Lease     |              |                |            |  |
| Liabilities                                                                   | Liabilities                                                          | \$ 159,367   | \$ 46,284      | \$ 79,116  |  |
| Investments Acquired through Reinsurance Agreements                           | Investments Acquired through Reinsurance Agreements                  | \$ 5,552,508 | \$ 16,339,358  | \$ —       |  |
| Policyholder Liabilities and Accruals Acquired through Reinsurance Agreements |                                                                      | \$ 1,547,572 | \$ 4,070,473   | \$ —       |  |
| Contractholder Deposit Funds Acquired through Reinsurance Agreements          |                                                                      |              |                |            |  |
| Contractholder Deposit Funds Acquired through Reinsurance Agreements          | Contractholder Deposit Funds Acquired through Reinsurance Agreements |              |                |            |  |
| Agreements                                                                    | Agreements                                                           | \$ 5,542,192 | \$ 14,773,306  | \$ —       |  |
| Change in Consolidation                                                       | Change in Consolidation                                              |              |                |            |  |
| Investments                                                                   |                                                                      | \$ (57,440)  | \$ (5,293,537) | \$ 3,480   |  |
| Due From Affiliates                                                           |                                                                      | \$ —         | \$ (3,735)     | \$ —       |  |
| Change in Consolidation                                                       |                                                                      |              |                |            |  |
| Change in Consolidation                                                       |                                                                      |              |                |            |  |
| Investments - Asset Management                                                |                                                                      |              |                |            |  |
| Investments - Asset Management                                                |                                                                      |              |                |            |  |
| Investments - Asset Management                                                |                                                                      |              |                |            |  |
| Investments - Insurance                                                       |                                                                      |              |                |            |  |
| Due from Affiliates                                                           |                                                                      |              |                |            |  |
| Other Assets                                                                  | Other Assets                                                         | \$ (59,675)  | \$ (67,255)    | \$ 46,892  |  |
| Debt Obligations                                                              | Debt Obligations                                                     | \$ (50,339)  | \$ (4,502,453) | \$ 259,822 |  |
| Due to Affiliates                                                             | Due to Affiliates                                                    | \$ (174)     | \$ (517)       | \$ —       |  |

|                                        |                                        |    |         |    |             |    |           |
|----------------------------------------|----------------------------------------|----|---------|----|-------------|----|-----------|
| Accrued Expenses and Other Liabilities | Accrued Expenses and Other Liabilities | \$ | (4,162) | \$ | (39,428)    | \$ | 32,494    |
| Noncontrolling Interests               | Noncontrolling Interests               | \$ | —       | \$ | (1,132,796) | \$ | (239,258) |
| Redeemable Noncontrolling Interests    |                                        |    |         |    |             |    |           |

See notes to financial statements.

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**KKR & CO. INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(All Amounts in Thousands, Except Share and Per Share Data, and Except Where Noted)**

**1. ORGANIZATION**

KKR & Co. Inc. (NYSE: KKR), through its subsidiaries (collectively, "KKR"), is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of The Global Atlantic Financial Group LLC ("TGAFG" and, together with its **insurance companies and other** subsidiaries, "Global Atlantic").

KKR & Co. Inc. is the parent company of KKR Group Co. Inc., which in turn owns KKR Group Holdings Corp., which is the general partner of KKR Group Partnership L.P. ("KKR Group Partnership"). KKR & Co. Inc. both indirectly controls KKR Group Partnership and indirectly holds Class A partner interests in KKR Group Partnership ("KKR Group Partnership Units") representing economic interests in KKR's business. As of **December 31, 2022** **December 31, 2023**, KKR & Co. Inc. held indirectly approximately **99.7%** **99.5%** of the KKR Group Partnership Units. The remaining balance is held indirectly by KKR employees through **vested** restricted holdings units representing an ownership interest in KKR Group Partnership Units, which may be exchanged for shares of common stock of KKR & Co. Inc. ("exchangeable securities"). As limited partner interests, these KKR Group Partnership Units are non-voting and do not entitle anyone other than KKR to manage **our** **its** business and affairs. KKR Group Partnership also has outstanding limited partner interests that provide for a carry pool provided by KKR Associates Holdings L.P. ("Associates Holdings") **and preferred units with economic terms that mirror the Series C Mandatory Convertible Preferred Stock issued by KKR & Co. Inc.**

References to "KKR" in these financial statements refer to KKR & Co. Inc. and its subsidiaries, including Global Atlantic, unless the context requires otherwise, especially in sections where "KKR" is intended to refer to the asset management business only. References in these financial statements to "principals" are to KKR's current and former employees who held interests in KKR's business through KKR Holdings prior to the Reorganization Mergers (as defined below). References to "Global Atlantic" in these financial statements includes the insurance companies **and other subsidiaries** of Global Atlantic, which are consolidated by KKR.

**Reorganization Agreement**

On October 8, 2021, KKR entered into a Reorganization Agreement (the "Reorganization Agreement") with KKR Holdings L.P. ("KKR Holdings"), KKR Management LLP (which holds the sole outstanding share of Series I preferred stock), **KKR Associates Holdings**, and the other parties thereto. Pursuant to the Reorganization Agreement, the parties agreed to undertake a series of integrated transactions to effect a number of transformative structural and governance changes, some of which were completed on May 31, 2022, and other changes to be completed in the future.

On May 31, 2022, KKR completed the merger transactions ("Reorganization Mergers") contemplated by the Reorganization Agreement pursuant to which KKR acquired KKR Holdings (which changed its name to KKR Group Holdings L.P.) and all of the KKR Group Partnership Units held by it. **In addition, pursuant to the Reorganization Mergers, on May 31, 2022:**

- i. KKR Aubergine Inc. ("New Parent"), a newly formed entity to effect the Reorganization Mergers, became the successor to KKR & Co. Inc. ("Old Parent") and the new parent company of KKR's business,**
- ii. New Parent changed its name to KKR & Co. Inc., and Old Parent changed its name to KKR Group Co. Inc.,**
- iii. all holders of common stock of Old Parent and all limited partners of KKR Holdings received shares, on a one-for-one basis, of the same common stock of New Parent, which remain listed on the New York Stock Exchange ("NYSE"),**
- iv. limited partners of KKR Holdings were issued 8.5 million shares of common stock of New Parent,**
- v. the Series I Preferred Stock and Series C Mandatory Convertible Preferred Stock were exchanged for identical securities of New Parent, and Old Parent's Series II Preferred Stock was canceled, and**

## Notes to Financial Statements (Continued)

- vi. KKR's tax receivable agreement with KKR Holdings was terminated other than with respect to exchanges of KKR Holdings Units prior to the closing of the Reorganization Mergers.

Pursuant to the Reorganization Agreement, the following transactions will occur in the future on the Sunset Date (as defined below):

- i. the control of New Parent KKR & Co. Inc. by KKR Management LLP and the Series I Preferred Stock held by it will be eliminated,
- ii. the voting rights for all common stock of KKR & Co. Inc., including with respect to the election of directors, will be established on a one vote per share basis, and
- iii. KKR will acquire control of KKR Associates Holdings, the entity providing for the allocation of carry proceeds to KKR employees, also known as the carry pool.

The "Sunset Date" will be the earlier of (i) December 31, 2026 and (ii) the six-month anniversary of the first date on which the death or permanent disability of both Mr. Henry Kravis and Mr. George Roberts (collectively, "Co-Founders") has occurred (or any earlier date consented to by KKR Management LLP in its sole discretion). In addition, KKR Management LLP agreed not to transfer its ownership of the sole share of Series I Preferred Stock, and, the changes to occur effective on the Sunset Date are unconditional commitments of the parties to the Reorganization Agreement.

### Acquisition of Global Atlantic Financial Group

In July 2020, KKR and Global Atlantic Financial Group Limited ("GAFG") entered into a strategic transaction whereby KKR agreed to acquire Global Atlantic, a leading retirement and life insurance and reinsurance company. The transaction (the "GA Acquisition"), which closed on February 1, 2021 (the "GA Acquisition Date"), was funded with a combination of: (i) cash on hand, (ii) proceeds from syndication of the equity interests in Global Atlantic to minority co-investors, (iii) proceeds from the offering of \$1,150 million of 6.00% Series C Mandatory Convertible Preferred Stock by KKR & Co. Inc. and (iv) proceeds from the offering of \$750 million aggregate principal amount of 3.500% Senior Notes due 2050 by KKR Group Finance Co. VIII LLC. Global Atlantic's results are included in KKR's consolidated financial statements commencing from the GA Acquisition Date. Refer to Note 3 for additional information on the transaction.

## Notes to Financial Statements (Continued)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

The accompanying consolidated financial statements (referred to hereafter as the "financial statements") have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

KKR consolidates the financial results of KKR Group Partnership and its consolidated entities, which include the accounts of KKR's investment management and capital markets companies, the general partners of certain unconsolidated investment funds, general partners of consolidated investment funds and their respective consolidated investment funds, Global Atlantic's insurance companies and certain other entities including CFEs. References to Global Atlantic hereafter includes the insurance companies of Global Atlantic, which are consolidated by KKR starting on the 2021 GA Acquisition Date (refer to Note 3 "Acquisitions—Acquisition of Global Atlantic" for additional information on the transaction). Date.

The presentations in the consolidated statement of financial condition and consolidated statement of operations reflect the significant industry diversification of KKR by its acquisition of Global Atlantic. Global Atlantic operates an insurance business, and KKR operates an asset management business, each of which possess distinct characteristics. As a result, KKR developed a two-tiered approach for the financial statements presentation, where Global Atlantic's insurance operations are presented separately from KKR's asset management business. KKR believes that these separate presentations provide a more informative view of the consolidated financial position and results of operations than traditional aggregated presentations and that reporting Global Atlantic's insurance operations separately is appropriate given, among other factors, the relative significance of Global Atlantic's policy liabilities, which are not obligations of KKR & Co. Inc. (other than the insurance companies that issued them). If a traditional aggregate presentation were to be used, KKR would expect to eliminate or combine several identical or similar captions, which would condense the presentations, but would also reduce the level of information presented. KKR also believes that using a traditional aggregate presentation would result in no new line items compared to the two-tier presentation included in the financial statements in this report.

In addition, in connection with the Global Atlantic acquisition, we organized our business into two segments: Asset Management and Insurance. Global Atlantic's operations constitute the insurance segment. See Note 22 "Segment Reporting."

The summary of the significant accounting policies has been organized considering the two-tiered approach and includes a section for common accounting policies and an accounting policy section for each of the two tiers when a policy is specific to one of the tiers.

In the ordinary course of business, KKR's Asset Management business and Global Atlantic enter into transactions with each other, which may include transactions pursuant to their investment management agreements and financing arrangements. The borrowings from these financing arrangements are non-recourse to KKR. All the investment management and financing arrangements between KKR KKR's Asset Management business and Global Atlantic are eliminated in consolidation; however, KKR's allocated share of the net income from the consolidation of Global Atlantic is increased by the amount of fees earned from and decreased by the amount of interest expense incurred from noncontrolling interest holders in Global Atlantic. Accordingly, the elimination of these fees and interest impacts the net income (loss) attributable to KKR and KKR stockholders' equity for the pro-rata ownership of the noncontrolling interests in Global Atlantic.

All intercompany transactions and balances have been eliminated.

### SIGNIFICANT ACCOUNTING POLICIES - COMMON AMONG ASSET MANAGEMENT AND INSURANCE

## Use of Estimates and Risks and Uncertainties

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, and investment income (loss) during the reporting periods. Such estimates include but are not limited to (i) the valuation of investments and financial instruments, (ii) the determination of the income tax provision and the valuation allowance on deferred tax assets, (iii) the impairment of goodwill and intangible assets, (iv) the impairment of available-for-sale investments, (v) the valuation of insurance policy liabilities, (vi) the valuation of embedded derivatives, (vii) the determination of the allowance for loan losses, and (viii) amortization of deferred revenues and expenses associated with the insurance business. Certain events particular to each industry and country in which the portfolio companies conduct their operations, as well as general economic, political, regulatory and public health conditions, may have a material adverse impact on KKR's investments and profitability. Such events are beyond KKR's control, and the

### Notes to Financial Statements (Continued)

likelihood that they may occur and the effect on KKR's use of estimates cannot be predicted. Actual results could differ from those estimates, and such differences could be material to the financial statements.

### Notes to Financial Statements (Continued)

## Principles of Consolidation

The types of entities KKR assesses for consolidation include (i) subsidiaries, including management companies, broker-dealers and general partners of investment funds that KKR manages, (ii) entities that have the attributes of an investment company, like investment funds, (iii) CFEs, (iv) Global Atlantic and its insurance companies beginning on February 1, 2021, and (v) other entities. Each of these entities is assessed for consolidation on a case by case basis depending on the specific facts and circumstances surrounding that entity. **For further information on the acquisition accounting for Global Atlantic see Note 3 "Acquisitions—Acquisition of Global Atlantic".**

Pursuant to its consolidation policy, KKR first considers whether an entity is considered a VIE and therefore whether to apply the consolidation guidance under the VIE model. Entities that do not qualify as VIEs are assessed for consolidation as voting interest entities ("VOEs") under the voting interest model.

KKR's funds are, for GAAP purposes, investment companies and therefore are not required to consolidate their investments in portfolio companies even if majority-owned and controlled. Rather, the consolidated funds and vehicles reflect their investments at fair value as described below in **"Fair"—Fair Value Measurements.**

An entity in which KKR holds a variable interest is a VIE if any one of the following conditions exist: (a) the total equity investment at risk is not sufficient to permit the legal entity to finance its activities without additional subordinated financial support, (b) the holders of the equity investment at risk (as a group) lack either the direct or indirect ability through voting rights or similar rights to make decisions about a legal entity's activities that have a significant effect on the success of the legal entity or the obligation to absorb the expected losses or right to receive the expected residual returns, or (c) the voting rights of some investors are disproportionate to their obligation to absorb the expected losses of the legal entity, their rights to receive the expected residual returns of the legal entity, or both and substantially all of the legal entity's activities either involve or are conducted on behalf of an investor with disproportionately few voting rights. Limited partnerships and other similar entities where unaffiliated limited partners have not been granted (i) substantive participatory rights or (ii) substantive rights to either dissolve the partnership or remove the general partner ("kick-out rights") are VIEs. KKR's investment funds that are not CFEs (i) are generally limited partnerships, (ii) generally provide KKR with operational discretion and control, and (iii) generally have fund investors with no substantive rights to impact ongoing governance and operating activities of the fund, including the ability to remove the general partner, and, as such, the limited partners do not have kick-out rights. Accordingly, most of KKR's investment funds are categorized as VIEs.

KKR consolidates all VIEs in which it is the primary beneficiary. A reporting entity is determined to be the primary beneficiary if it holds a controlling financial interest in a VIE. A controlling financial interest is defined as (a) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The consolidation guidance requires an analysis to determine (i) whether an entity in which KKR holds a variable interest is a VIE and (ii) whether KKR's involvement, through holding interests directly or indirectly in the entity or contractually through other variable interests (for example, management and performance income), would give it a controlling financial interest. Performance of that analysis requires the exercise of judgment. Fees earned by KKR that are customary and commensurate with the level of effort required to provide those services, and where KKR does not hold other economic interests in the entity that would absorb more than an insignificant amount of the expected losses or returns of the entity, would not be considered to be variable interests. KKR factors in all economic interests including interests held through related parties, to determine if it holds a variable interest. KKR determines whether it is the primary beneficiary of a VIE at the time it becomes involved with a VIE and reconsiders that conclusion when facts and circumstances change.

For entities that are determined not to be VIEs, these entities are generally considered VOEs and are evaluated under the voting interest model. KKR consolidates VOEs it controls through a majority voting interest or through other means.

The consolidation assessment, including the determination as to whether an entity qualifies as a VIE or VOE, depends on the facts and circumstances for each entity, and therefore certain of KKR's investment funds may qualify as VIEs whereas others may qualify as VOEs.

### Notes to Financial Statements (Continued)

With respect to CLOs (which are generally VIEs), in KKR's role as collateral manager, KKR generally has the power to direct the activities of the CLO that most significantly impact the economic performance of the entity. In some, but not all cases, KKR, through its residual interest in the CLO may have variable interests that represent an obligation to absorb losses of, or a right to receive benefits from, the CLO that could potentially be significant to the CLO. In cases where KKR has both the power to direct the activities of the

CLO that most significantly impact the CLO's economic performance and the obligation to absorb losses of the CLO or the right to receive benefits from the CLO that could potentially be significant to the CLO, KKR is deemed to be the primary beneficiary and consolidates the CLO.

In the fourth quarter of 2021, as a result of the consummation of an all-primary equity offering by KKR Real Estate Finance Trust ("KREF"), KKR no longer owns at least 25% of the outstanding shares of KREF common stock and, as a result, the previous right

Notes to have voting power equal to a majority of votes to cast in an election of directors pursuant to the share of special voting preferred stock held by it, as well as its right to nominate at least half of the directors to KREF's board of directors pursuant to the stock holders agreement between KREF and certain of its stockholders, terminated as of November 1, 2021. As a result of these actions, KKR no longer holds a controlling financial interest in KREF. Upon deconsolidation of KREF in the fourth quarter of 2021, KKR recognized a gain of \$54 million, which is included in Net Gains (Losses) from Investment Activities. KKR retained an equity method investment in KREF, for which the fair value option was elected and which is classified as Level I in the fair value hierarchy. Financial Statements (Continued)

Global Atlantic has formed certain VIEs to hold investments, including investments in transportation, renewable energy, consumer and other loans and fixed maturity securities. These VIEs issue beneficial interests primarily to Global Atlantic's insurance companies, and Global Atlantic maintains the power to direct the activities of the VIEs that most significantly impact their economic performance and bears the obligation to absorb losses or receive benefits from the VIEs that could potentially be significant. Accordingly, Global Atlantic is the primary beneficiary of these VIEs, which are consolidated in Global Atlantic's results.

For certain consolidated renewable energy partnerships consolidated by Global Atlantic's insurance companies, Global Atlantic uses a hypothetical liquidation at book value ("HLBV") method to allocate income and cash flows based on third-party investors' claim to net assets, including those for the noncontrolling interests and redeemable noncontrolling interests.

KKR classifies certain noncontrolling interests with redemption features that are not solely within the control of KKR outside of permanent equity on its consolidated statements of financial condition. These redeemable noncontrolling interests are reported using the greater of the carrying value at each reporting date as determined by the HLBV method or the estimated redemption value in each reporting period.

### Noncontrolling Interests

Noncontrolling interests represent (i) noncontrolling interests in consolidated entities and (ii) noncontrolling interests held by KKR Holdings before the closing of the Reorganization Mergers described in Note 1 "Organization".

Noncontrolling interests in consolidated entities represent the non-redeemable ownership interests in KKR that are held primarily by:

- (i) third party fund investors in KKR's consolidated funds and certain other entities;
- (ii) third parties entitled to up to 1% of the carried interest received by certain general partners of KKR's funds that have made investments on or prior to December 31, 2015;
- (iii) certain former principals and their designees representing a portion of the carried interest received by the general partners of KKR's private equity funds that was allocated to them with respect to private equity investments made during such former principals' tenure with KKR prior to October 1, 2009;
- (iv) certain former principals representing all of the capital invested by or on behalf of the general partners of KKR's private equity funds prior to October 1, 2009 and any returns thereon;
- (v) third parties in KKR's Capital Markets business line;
- (vi) (iii) certain current and former employees who hold exchangeable securities; and
- (vii) (iv) third parties in KKR's insurance business including GA Rollover Investors, (as defined below), GA Co-Investors (as defined below) and third party third-party investors in Global Atlantic's consolidated renewable energy entities and certain other entities.

### Notes to Financial Statements (Continued)

For further details see Note 23 "Equity". 22 "Equity." Noncontrolling interests held by KKR Holdings before the closing of the Reorganization Mergers are described in Note 1 "Organization."

### Cash and Cash Equivalents

Generally KKR considers all liquid short-term investments with original maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents includes cash held at consolidated entities, which represents cash that, although not legally restricted, is not available generally to fund liquidity needs of KKR, as the use of such funds is generally limited to the investment activities of KKR's investment funds and CFEs. The carrying values of cash and cash equivalents are considered to be reasonable estimates of their fair values.

### Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents primarily represent amounts that are held by third parties under certain of KKR's financing and derivative transactions. The duration of this restricted cash generally matches the duration of the related financing or derivative transaction. Global Atlantic's restricted cash principally includes certain cash and cash equivalents held in trusts formed for the benefit of ceding companies or held in connection with open derivative transactions. The carrying values of restricted cash and cash equivalents are considered to be reasonable estimates of their fair values.

### Fair Value Measurements



Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. Where available, fair value is based on observable market prices or parameters or derived from such prices or parameters. Where observable prices or inputs are not available, valuation techniques are applied. These valuation techniques involve varying levels of management estimation and judgment, the degree of which is dependent on a variety of factors.

#### Notes to Financial Statements (Continued)

GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Market price observability is affected by a number of factors, including the type of financial instrument, the characteristics specific to the financial instrument and the state of the marketplace, including the existence and transparency of transactions between market participants. Financial instruments with readily available quoted prices in active markets generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments and financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

**Level I** - Pricing inputs are unadjusted, quoted prices in active markets for identical assets or liabilities as of the measurement date. The types of financial instruments included in this category are publicly-listed equities, U.S. government and agencies securities, and securities sold short.

**Level II** - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date, and fair value is determined through the use of models or other valuation methodologies. The types of financial instruments included in this category are credit investments, fixed-income securities held by consolidated insurance companies, investments and debt obligations of consolidated CLO entities, convertible debt securities indexed to publicly-listed securities, less liquid and restricted equity securities, certain funds withheld payable at interest, and certain over-the-counter derivatives such as foreign currency option and forward contracts.

**Level III** - Pricing inputs are unobservable for the financial instruments and include situations where there is little, if any, market activity for the financial instrument. The inputs into the determination of fair value require significant management judgment or estimation. The types of financial instruments generally included in this category are private portfolio companies, real assets investments, certain credit investments, equity method investments for which the fair value option was elected, certain fixed-income and structured securities held by the consolidated insurance subsidiaries, reinsurance recoverables carried at fair value, certain insurance policy liabilities carried at fair value, and certain embedded derivatives related to (i) certain funds withheld payable at interest, and (ii) annuities and indexed universal life products, which contain equity-indexed features.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. KKR's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset.

#### Notes to Financial Statements (Continued)

A significant decrease in the volume and level of activity for the asset or liability is an indication that transactions or quoted prices may not be representative of fair value because in such market conditions there may be increased instances of transactions that are not orderly. In those circumstances, further analysis of transactions or quoted prices is needed, and a significant adjustment to the transactions or quoted prices may be necessary to estimate fair value.

The availability of observable inputs can vary depending on the financial asset or liability and is affected by a wide variety of factors, including, for example, the type of instrument, whether the instrument has recently been issued, whether the instrument is traded on an active exchange or in the secondary market, and current market conditions. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires additional judgment. Accordingly, the degree of judgment exercised by KKR in determining fair value is greatest for instruments categorized in Level III. The variability and availability of the observable inputs affected by the factors described above may cause transfers between Levels I, II, and III, which KKR recognizes at the beginning of the reporting period.

Investments and other financial instruments that have readily observable market prices (such as those traded on a securities exchange) are stated at the last quoted sales price as of the reporting date. KKR does not adjust the quoted price for these investments, even in situations where KKR holds a large position and a sale could reasonably affect the quoted price.

Management's determination of fair value is based upon the methodologies and processes described below and may incorporate assumptions that are management's best estimates after consideration of a variety of internal and external factors.

#### Notes to Financial Statements (Continued)

##### Level II Valuation Methodologies

**Credit Investments, U.S. Municipal Securities, Corporate Bonds and Structured Securities:** These financial instruments generally have bid and ask prices that can be observed in the marketplace. Bid prices reflect the highest price that KKR and others are willing to pay for an instrument. Ask prices represent the lowest price that KKR and others are willing to accept for an instrument. For financial instruments whose inputs are based on bid-ask prices obtained from third party pricing services, fair value may not always be a

predetermined point in the bid-ask range. KKR's policy is generally to allow for mid-market pricing and adjusting to the point within the bid-ask range that meets KKR's best estimate of fair value. KKR may also use model-derived valuations whose inputs are observable or whose significant value drivers are observable.

*Investments and Debt Obligations of Consolidated CLO Vehicles:* Investments of consolidated CLO vehicles are reported within Investments of Consolidated CFEs and are valued using the same valuation methodology as described above for credit investments. Under ASU 2014-13, KKR measures CLO debt obligations on the basis of the fair value of the financial assets of the CLO.

*Securities Indexed to Publicly-Listed Securities:* These securities are typically valued using standard convertible security pricing models. The key inputs into these models that require some amount of judgment are the credit spreads utilized and the volatility assumed. To the extent the company being valued has other outstanding debt securities that are publicly-traded, the implied credit spread on the company's other outstanding debt securities would be utilized in the valuation. To the extent the company being valued does not have other outstanding debt securities that are publicly-traded, the credit spread will be estimated based on the implied credit spreads observed in comparable publicly-traded debt securities. In certain cases, an additional spread will be added to reflect an illiquidity discount due to the fact that the security being valued is not publicly-traded. The volatility assumption is based upon the historically observed volatility of the underlying equity security into which the convertible debt security is convertible and/or the volatility implied by the prices of options on the underlying equity security.

*Equity Securities:* The valuation of certain equity securities is based on (i) an observable price for an identical security adjusted for the effect of a restriction or leverage that collateralized the equity securities and (ii) quoted prices for identical or similar instruments in markets that are not active.

*Derivatives:* The valuation incorporates observable inputs comprising yield curves, foreign currency rates, interest rate volatility and credit spreads.

#### Notes to Financial Statements (Continued)

##### Level III Valuation Methodologies

*Private Equity Investments:* KKR generally employs two valuation methodologies when determining the fair value of a private equity investment. The first methodology is typically a market comparables analysis that considers key financial inputs, which may take into account recent public and private transactions and other available measures. The second methodology utilized is typically a discounted cash flow analysis, which incorporates significant assumptions and judgments. Estimates of key inputs used in this methodology include the weighted average cost of capital for the investment and assumed inputs used to calculate terminal values, such as exit EBITDA multiples. The results of the discounted cash flow approach can be significantly impacted by these estimates. Other inputs are also used in both methodologies. In addition, when a definitive agreement has been executed to sell an investment, KKR generally considers a significant determinant of fair value to be the consideration to be received by KKR pursuant to the executed definitive agreement.

Upon completion of the valuations conducted using these methodologies, a weighting is ascribed to each method, and an illiquidity discount is typically applied where appropriate. The ultimate fair value recorded for a particular investment will generally be within a range suggested by the two methodologies, except that the value may be higher or lower than such range in the case of investments being sold pursuant to an executed definitive agreement.

When determining the weighting ascribed to each valuation methodology, KKR considers, among other factors, the availability of direct market comparables, the applicability of a discounted cash flow analysis, the expected hold period and manner of realization for the investment, and in the case of investments being sold pursuant to an executed definitive agreement, an estimated probability of such sale being completed. These factors can result in different weightings among investments in the portfolio and in certain instances may result in up to a 100% weighting to a single methodology.

#### Notes to Financial Statements (Continued)

When an illiquidity discount is to be applied, KKR seeks to take a uniform approach across its portfolio and generally applies a minimum 5% discount to all private equity investments. KKR then evaluates such private equity investments to determine if factors exist that could make it more challenging to monetize the investment and, therefore, justify applying a higher illiquidity discount. These factors generally include (i) whether KKR is unable to freely sell the portfolio company or conduct an initial public offering nature of the portfolio company due to the consent KKR's governance rights, of a third party or similar factors, (ii) whether the portfolio company is undergoing significant restructuring activity or similar factors, and (iii) characteristics about the portfolio company regarding its size and/or whether the portfolio company is experiencing, or expected to experience, a significant decline in earnings. These factors generally make it less likely that a portfolio company would be sold or publicly offered in the near term at a price indicated by using just a market multiples and/or discounted cash flow analysis, and these factors tend to reduce the number of opportunities to sell an investment and/or increase the time horizon over which an investment may be monetized. Depending on the applicability of these factors, KKR determines the amount of any incremental illiquidity discount to be applied above the 5% minimum, and during the time KKR holds the investment, the illiquidity discount may be increased or decreased, from time to time, based on changes to these factors. The amount of illiquidity discount applied at any time requires considerable judgment about what a market participant would consider and is based on the facts and circumstances of each individual investment. Accordingly, the illiquidity discount ultimately considered by a market participant upon the realization of any investment may be higher or lower than that estimated by KKR in its valuations.

In the case of growth equity investments, enterprise values may be determined using the market comparables analysis and discounted cash flow analysis described above. A scenario analysis may also be conducted to subject the estimated enterprise values to a downside, base and upside case, which involves significant assumptions and judgments. A milestone analysis may also be conducted to assess the current level of progress towards value drivers that we have determined to be important, which involves significant assumptions and judgments. The enterprise value in each case may then be allocated across the investment's capital structure to reflect the terms of the security and subjected to probability weightings. In certain cases, the values of growth equity investments may be based on recent or expected financings or other transactions.

*Real Asset Investments:* Real asset investments in infrastructure, energy real estate, and real estate energy are valued using one or a combination of the discounted cash flow analysis, market comparables analysis and direct income capitalization methods, which in each case incorporates significant assumptions and judgments.

Infrastructure investments are generally valued using the discounted cash flow analysis. Key inputs used in this methodology can include the weighted average cost of capital and assumed inputs used to calculate terminal values, such as exit EBITDA multiples.

Real estate investments are generally valued using a combination of direct income capitalization and discounted cash flow analysis. Certain real estate investments are valued by KKR based on ranges of valuations determined by independent valuation firms. Key inputs used in such methodologies that require estimates include an unlevered discount rate, current capitalization rate and exit capitalization rate. The valuations of real assets investments also use other inputs.

Energy investments are generally valued using a discounted cash flow approach, and where applicable, a market approach using comparable companies and transactions. Key inputs used in our valuations include (i) the weighted average cost of capital, (ii) future commodity prices, as quoted on indices, and long-term commodity price forecasts, and (iii) the asset's projected future operating performance.

#### Notes to Financial Statements (Continued)

Real estate investments are generally valued using a combination of direct income capitalization and discounted cash flow analysis. Certain real estate investments are valued by KKR based on ranges of valuations determined by independent valuation firms. Key inputs used in such methodologies that require estimates include an unlevered discount rate and current capitalization rate. The valuations of real assets investments also use other inputs.

*Credit Investments:* Credit investments are valued using values obtained from dealers or market makers, and where these values are not available, credit investments are generally valued by KKR based on ranges of valuations determined by an independent valuation firm. Valuation models are based on discounted cash flow analyses, for which the key inputs are determined based on market comparables, which incorporate similar instruments from similar issuers.

*Real Estate Mortgage Loans:* Real estate mortgage loans are illiquid, structured investments that are specific to the property and its operating performance. KKR engages an independent valuation firm to estimate the fair value of each loan. KKR reviews the quarterly loan valuation estimates provided by the independent valuation firm. These loans are generally valued using a discounted cash flow model using discount rates derived from observable market data applied to the capital structure of the respective sponsor and estimated property value.

*Other Investments:* With respect to other investments including equity method investments, KKR generally employs the same valuation methodologies as described above for private equity, credit investments and real assets investments when valuing these other investments.

#### Notes to Financial Statements (Continued)

*Funds withheld at interest:* The funds withheld receivables and payables at interest carried at fair value are primarily valued based on the fair value of the underlying investments, which have quoted prices or other observable inputs to pricing. A portion of the funds withheld receivable and payables at interest carried at fair value represent embedded derivatives and are generally valued using present as the difference between the fair value techniques that consider inputs including of the underlying assets and the carrying value of the host contract duration, at the balance sheet date.

*Reinsurance recoverables:* Reinsurance recoverables carried at fair value are valued using present value techniques that consider inputs including mortality and surrender rates for the associated policies, as well as estimates of policy expenses and the cost of capital held in support of the related closed block policy liabilities.

*Insurance policy liabilities, and insurance embedded derivatives, derivatives, and market risk benefits:* Policy Certain insurance policy liabilities that are carried at fair value are valued using present value techniques that discount estimated liability cash flows at a rate that reflects the variability of those cash flows and also consider policyholder behavior (including lapse rates, surrender rates and mortality).

Closed block policy liabilities carried at fair value are valued using present value techniques that consider inputs including mortality and surrender rates for the respective policies, as well as estimates of policy expenses and the cost of capital held in support of the liabilities. The funds withheld payable at interest carried at fair value represents embedded derivatives and is valued based on the change in the fair value of the assets supporting the payable. Other

Insurance embedded derivative liabilities are related to our fixed-indexed annuity, variable annuity and indexed universal life products, which contain equity-indexed features. The These embedded derivative liabilities are calculated as the present value of future projected benefits in excess of the projected guaranteed benefits, using an option budget as the indexed account value growth rate and considering an adjustment to reflect the risk of nonperformance on our obligation and inputs such as projected withdrawal and surrender activity, and mortality. KKR calculates nonperformance risk using a blend of observable peer holding company credit spreads, adjusted to reflect the claims paying ability of our insurance entities, as well as an adjustment to reflect the priority of policyholder claims.

Market risk benefits include certain contract features on fixed annuity and variable annuity products. These features include minimum guarantees to policyholders, such as guaranteed minimum death benefits (GMDBs), guaranteed minimum withdrawal benefits (GMWBs), and long-term care benefits (i.e., capped at the return of account value plus one or two times the account value). Market risk benefits are measured at fair value using a non-option and option valuation approach based on current net amounts at risk, market data, experience, and other factors.

Key unobservable inputs that have a significant impact on KKR's Level III valuations as described above are included in Note 109 "Fair Value Measurements." KKR utilizes several unobservable pricing inputs and assumptions in determining the fair value of its Level III financial instruments. These unobservable pricing inputs and assumptions may differ by financial instruments and in the application of KKR's valuation methodologies. KKR's reported fair value estimates could vary materially if KKR had chosen to incorporate different unobservable pricing inputs and other assumptions or, for certain applicable investments, if KKR only used either the discounted cash flow methodology or the market comparables methodology instead of assigning a weighting to both methodologies.

There is inherent uncertainty involved in the valuation of Level III financial instruments and there is no assurance that, upon liquidation or sale, KKR will realize the values reflected in our valuations. Our valuations may differ significantly from the values that would have been used had an active market for the financial instruments existed, and it is

reasonably possible that the difference could be material.

## Notes to Financial Statements (Continued)

### Business Combinations

KKR accounts for business combinations using the acquisition method of accounting, under which the purchase price of the acquisition is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date.

### Goodwill and Intangible Assets

Goodwill represents the excess of acquisition cost over the fair value of net tangible and intangible assets acquired in connection with an acquisition. Goodwill is assessed for impairment annually in the third quarter of each fiscal year or more frequently if circumstances indicate impairment may have occurred. Goodwill **is and Intangible Assets are** recorded in Other Assets in the accompanying consolidated statements of financial condition.

## Notes to Financial Statements (Continued)

In accordance with GAAP, KKR has the option to either (i) perform a quantitative impairment test or (ii) first perform a qualitative assessment (commonly known as "step zero") to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, in which case the quantitative test would then be performed. When performing a quantitative impairment test, KKR compares the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of the reporting unit is less than its carrying amount, the goodwill impairment loss is equal to the excess of the carrying value over the fair value, limited to the carrying amount of goodwill allocated to that reporting unit. The estimated fair values of the reporting units are derived based on valuation techniques KKR believes market participants would use for each respective reporting unit. The estimated fair values are generally determined by utilizing a discounted cash flow methodology and methodologies that incorporate market multiples of certain comparable companies.

KKR tests goodwill for impairment at the reporting unit level, which is generally at the level of or one level below its reportable segments, on an annual basis, or, when an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Goodwill recorded as a result of the acquisition of Global Atlantic has been allocated to the insurance segment, and goodwill recorded as a result of the acquisition of **KJRM KJR Management ("KJRM")** has been allocated to the asset management segment.

During the third quarter of **2022, 2023**, KKR performed its annual impairment analysis for the goodwill recorded at the asset management and insurance reporting units.

KKR elected to perform step zero for the purposes of its impairment analysis for the goodwill recorded at the asset management **and insurance** reporting **unit, units**. Based upon **this assessment, these assessments**, KKR determined that it is more likely than not that the fair value of the reporting unit exceeds its carrying value. Factors considered in the qualitative assessment included macroeconomic conditions, industry and market considerations, cost factors, current and projected financial performance, changes in management or strategy and market **capitalization and the acquisition of KJRM, capitalization**.

KKR elected to perform step zero for the purposes of its impairment analysis for the goodwill recorded at the insurance reporting unit. Based upon this assessment, KKR determined that it is more likely than not that the fair value of the reporting unit exceeds its carrying value. Additionally, the insurance reporting unit had a negative carrying value, which was primarily due to unrealized losses on Global Atlantic's available-for-sale fixed maturity investment portfolio. Global Atlantic expects that substantially all of these unrealized losses will not be realized as it intends to hold these investments until recovery of the losses, which may be at maturity, as part of its asset liability cash-flow matching strategy. As of December 31, 2022, the amount of goodwill allocated to the insurance reporting unit was \$501.5 million.

## Notes to Financial Statements (Continued)

### Intangible Assets

Intangible assets are recorded in Other Assets in the accompanying consolidated statements of financial condition. Finite lived intangible assets are amortized over their estimated useful lives and are reviewed for impairment when impairment indicators are present. The finite lived intangible assets are amortized using the straight-line method over the useful life of the assets which is between 15 to 19 years. The indefinite lived intangible assets are not subject to amortization. Indefinite lived intangible assets are reviewed for impairment on an annual basis and when impairment indicators are present.

During **during** the third quarter of **2022, 2023**, KKR performed its **first** annual impairment analysis on KJRM's investment management contracts recorded at KKR's asset management business, which were determined to have indefinite useful lives and are not subject to amortization. KKR elected to perform a qualitative assessment for the purposes of its impairment analysis. Based upon this assessment, KKR determined that it is more likely than not that the fair value of the KJRM investment management contracts exceeded their carrying value. Factors considered in the qualitative assessment included macroeconomic conditions, industry and market considerations, cost factors, **and** current and projected financial performance.

### Fixed Assets, Depreciation and Amortization

Fixed assets consist primarily of corporate real estate, leasehold improvements, furniture and computer hardware. Such amounts are recorded at cost less accumulated depreciation and amortization and are included in Other Assets within the accompanying consolidated statements of financial condition. Depreciation and amortization are calculated using the straight-line method over the assets' estimated economic useful lives, which for leasehold improvements are the lesser of the lease term or the life of the asset, for KKR's owner occupied corporate real estate is up to 40 years, and 3 to 7 years for other fixed assets.

## Foreign Currency

Consolidated entities that have a functional currency that differs from KKR's reporting currency are (i) KKR's investment management and capital markets companies located outside the United States (including KJRM, which is located in Japan) and (ii) certain CFEs. Foreign currency denominated assets and liabilities are translated using the exchange rates prevailing at the end of each reporting period. Results of foreign operations are translated at the weighted average exchange rate for each reporting period. Translation adjustments are included as a component of accumulated other comprehensive income (loss) until realized. Foreign currency income or expenses resulting from transactions outside of the functional currency of a consolidated entity are recorded as incurred in general, administrative and other expense in the consolidated statements of operations.

## Leases

At contract inception, KKR determines if an arrangement contains a lease by evaluating whether (i) the identified asset has been deployed in the contract explicitly or implicitly and (ii) KKR obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. Additionally, at contract inception KKR will evaluate whether the lease is an operating or finance lease. Right-of-use ("ROU") assets represent KKR's right to use an underlying asset for the lease term and lease liabilities represent KKR's obligation to make lease payments arising from the lease.

### Notes to Financial Statements (Continued)

ROU assets and the associated lease liabilities are recognized at the commencement date based on the present value of the future minimum lease payments over the lease term. The discount rate implicit in the lease is generally not readily determinable. Consequently, KKR uses its incremental borrowing rate based on the information available including, but not limited to, collateral assumptions, the term of the lease, and the economic environment in which the lease is denominated at the commencement date in determining the present value of the future lease payments. The ROU assets are recognized as the initial measurement of the lease liabilities plus any initial direct costs and any prepaid lease payments less lease incentives received, if any. The lease terms may include options to extend or terminate the lease which are accounted for when it is reasonably certain that KKR will exercise that option. Certain leases that include lease and non-lease components are accounted for as one single lease component. In addition to contractual rent payments, occupancy lease agreements generally include additional payments for certain costs incurred by the landlord, such as building expenses and utilities. To the extent these are fixed or determinable, they are included as part of the lease payments used to measure the operating lease liability.

Operating lease expense is recognized on a straight-line basis over the lease term and is recorded within Occupancy and Related Charges in the accompanying consolidated statements of operations. The ROU assets are included in Other Assets and the lease liabilities are included in Accrued Expenses and Other Liabilities in the accompanying consolidated statements of financial condition. See Note 15.14 "Other Assets and Accrued Expenses and Other Liabilities."

### Notes to Financial Statements (Continued)

## Comprehensive Income (Loss)

Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances, excluding those resulting from contributions from and distributions to owners. In the accompanying consolidated financial statements, comprehensive income is recorded net of income taxes and is comprised of (i) Net Income (Loss), as presented in the consolidated statements of operations, (ii) unrealized gains (losses) on available-for-sale securities and other (iii) net effect of changes in discount rates and (iii) instrument-specific credit risk on policy liabilities and (iv) foreign currency translation.

The tax benefit (expense) related to items of other comprehensive income (loss) was \$1,896 \$(339) million, \$88 \$1,688 million, and \$0 \$81 million for the years ended December 31, 2022 December 31, 2023, 2021 2022 and 2020, 2021, respectively.

## Income Taxes

KKR & Co. Inc. is a domestic corporation for U.S. federal income tax purposes and is subject to U.S. federal, state and local income taxes at the entity level on its share of taxable income. In addition, KKR Group Partnership and certain of its subsidiaries operate as partnerships for U.S. federal tax purposes but as taxable entities for certain state, local or non-U.S. tax purposes. Moreover, certain corporate subsidiaries of KKR, including certain subsidiaries of Global Atlantic, subsidiaries, are domestic corporations for U.S. federal income tax purposes and are subject to U.S. federal, state, and local income taxes.

### Deferred Income Taxes

Income taxes are accounted for using the asset and liability method of accounting. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amounts of assets and liabilities and their respective tax basis, using tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred assets and liabilities of a change in tax rates is recognized in the consolidated statements of operations in the period when the change is enacted.

Deferred tax assets, which are recorded in Other Assets within the consolidated statements of financial condition, are reduced by a valuation allowance when, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. When evaluating the realizability of the deferred tax assets, all evidence, both positive and negative, is considered. Items considered when evaluating the need for a valuation allowance include the ability to carry back losses, future reversals of existing temporary differences, tax planning strategies, and expectations of future earnings.

For a particular tax-paying component of an entity and within a particular tax jurisdiction, deferred tax assets and liabilities are offset and presented as a single amount within Other Assets or Accrued and Other Liabilities, as applicable, in the accompanying statements of financial condition.

### Notes to Financial Statements (Continued)

## Uncertain Tax Positions

KKR analyzes its tax filing positions in all of the U.S. federal, state and local tax jurisdictions and foreign tax jurisdictions where it is required to file income tax returns, as well as for all open tax years in these jurisdictions. If, based on this analysis, KKR determines that uncertainties in tax positions exist, a reserve is established. The reserve for uncertain tax positions is recorded in Accrued and Other Liabilities in the accompanying statements of financial condition. KKR recognizes accrued interest and penalties related to uncertain tax positions within the provision for income taxes in the consolidated statements of operations.

KKR records uncertain tax positions on the basis of a two-step process: (a) determination is made whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (b) those tax positions that meet the more-likely-than-not threshold are recognized as the largest amount of tax benefit that is greater than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

## Net Income (Loss) attributable to KKR & Co. Inc. per share of common stock

Net Income (Loss) attributable to KKR per share of common stock (Basic) is computed by dividing earnings (losses) attributable to KKR common stockholders by the weighted average number of common shares outstanding for the period and it represents net income (loss) applicable to KKR reduced by preferred stock dividends. Net Income (Loss) attributable to KKR per share of common stock (Diluted) reflects the assumed conversion of all dilutive securities.

For further information on net income (loss) per common share, see Note 14 13 "Net Income (Loss) Attributable to KKR & Co. Inc. per Share of Common Stock" to the financial statements.

## Notes to Financial Statements (Continued)

## SIGNIFICANT ACCOUNTING POLICIES - ASSET MANAGEMENT

The significant accounting policies applicable to KKR's asset management business are described below.

### Investments

Investments consist primarily of private equity, credit, investments of consolidated CFEs, real assets, equity method and other investments. Investments denominated in currencies other than the entity's functional currency are valued based on the spot rate of the respective currency at the end of the reporting period with changes related to exchange rate movements reflected in the consolidated statements of operations. Security and loan transactions are recorded on a trade date basis. Further disclosure on investments is presented in Note 8 7 "Investments."

The following describes the types of securities held within each investment class.

*Private Equity* - Consists primarily of equity investments in operating businesses, including growth equity investments.

*Credit* - Consists primarily of investments in below investment grade corporate debt securities (primarily high yield bonds and syndicated bank loans), originated, distressed and opportunistic credit, real estate mortgage loans, and interests in unconsolidated CLOs.

*Investments of Consolidated CFEs* - Consists primarily of investments in below investment grade corporate debt securities (primarily high yield bonds and syndicated bank loans) held directly by the consolidated CLOs.

*Real Assets* - Consists primarily of investments in (i) energy related assets, principally oil and natural gas properties, (ii) infrastructure assets, and (iii) real estate, principally residential and commercial real estate assets and businesses, businesses, and (iii) energy related assets, principally oil and natural gas properties.

*Equity Method - Other* - Consists primarily of (i) certain direct interests in operating companies in which KKR is deemed to exert significant influence under GAAP and (ii) certain interests in partnerships and joint ventures that hold private equity and real assets investments.

*Equity Method - Capital Allocation-Based Income* - Consists primarily of (i) the capital interest KKR holds as the general partner in certain investment funds, which are not consolidated and (ii) the carried interest component of the general partner interest, which are accounted for as a single unit of account.

*Other* - Consists primarily of investments in common stock, preferred stock, warrants and options of companies that are not private equity, real assets, credit or investments of consolidated CFEs.

## Notes to Financial Statements (Continued)

### Investments held by Consolidated Investment Funds

The consolidated investment funds are, for GAAP purposes, investment companies and reflect their investments and other financial instruments, including portfolio companies that are majority-owned and controlled by KKR's investment funds, at fair value. KKR has retained this specialized accounting for the consolidated investment funds in consolidation. Accordingly, the unrealized gains and losses resulting from changes in fair value of the investments and other financial instruments held by the consolidated investment funds are reflected as a component of Net Gains (Losses) from Investment Activities in the consolidated statements of operations.



Certain energy investments are made through consolidated investment funds, including investments in working and royalty interests in oil and natural gas properties as well as investments in operating companies that operate in the energy industry. Since these investments are held through consolidated investment funds, such investments are reflected at fair value as of the end of the reporting period.

Investments in operating companies that are held through KKR's consolidated investment funds are generally classified within private equity investments and investments in working and royalty interests in oil and natural gas properties are generally classified as real asset investments.

## Notes to Financial Statements (Continued)

### Energy Investments held by KKR

On August 18, 2020, KKR transferred all the working and royalty interests in oil and natural gas properties, which were directly held by KKR and not held through investment funds, into a consolidated investment fund. Before the transfer, oil and natural gas activities were accounted for under the successful efforts method of accounting and such working and royalty interests were consolidated based on the proportion of the working and royalty interests held by KKR. Subsequent to the transfer, such working and royalty interests are carried at fair value in accordance with ASC 946, Financial Services - Investment Companies, and recorded within investments in the consolidated statements of financial condition. Any changes in fair value are recorded within Net Gains (Losses) from Investment Activities in the consolidated statements of operations. No gain or loss has been recorded in the consolidated statement of operations as result of the transfer. KKR recognized the differential between the net carrying value of such working and royalty interests and the fair value at the time of the transfer within stockholders' equity. This transaction resulted in an adjustment to KKR Group Partnership's equity, and accordingly, both KKR's equity and noncontrolling interests held by KKR Holdings were adjusted for their proportionate share based on their ownership in KKR Group Partnership at the time of transfer. The fair value was determined in accordance with KKR's Level III Valuation Methodologies.

### Fair Value Option

For certain investments and other financial instruments, KKR has elected the fair value option. Such election is irrevocable until the occurrence of certain qualifying events as defined in ASC 825, when KKR has, in addition to the ability to elect or the option to cease applying the fair value option to an eligible item to which it was previously applied, and is applied on a financial instrument by financial instrument basis at initial recognition. KKR has elected the fair value option for certain private equity, real assets, credit, investments of consolidated CFEs, equity method - other and other financial instruments not held through a consolidated investment fund. Accounting for these investments at fair value is consistent with how KKR accounts for its investments held through consolidated investment funds. Changes in the fair value of such instruments are recognized in Net Gains (Losses) from Investment Activities in the consolidated statements of operations. Interest income on interest bearing credit securities on which the fair value option has been elected is based on stated coupon rates adjusted for the accretion of purchase discounts and the amortization of purchase premiums. This interest income is recorded within Interest Income in the consolidated statements of operations.

### Equity Method

For certain investments in entities over which KKR exercises significant influence but which do not meet the requirements for consolidation and for which KKR has not elected the fair value option, KKR uses the equity method of accounting. The carrying value of equity method investments, for which KKR has not elected the fair value option, is determined based on the amounts invested by KKR, adjusted for the equity in earnings or losses of the investee allocated based on KKR's respective ownership percentage, less distributions.

For equity method investments for which KKR has not elected the fair value option, KKR records its proportionate share of the investee's earnings or losses based on the most recently available financial information of the investee, which in certain cases may lag the date of KKR's financial statements by no more than three calendar months. As of **December 31, 2022** **December 31, 2023**, equity method investees for which KKR reports financial results on a lag include Marshall Wace LLP ("Marshall Wace").

KKR evaluates its equity method investments for which KKR has not elected the fair value option for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may not be recoverable.

The carrying value of investments classified as Equity Method - Capital Allocation-Based Income approximates fair value, because the underlying investments of the unconsolidated investment funds are reported at fair value.

### Financial Instruments held by Consolidated CFEs

KKR measures both the financial assets and financial liabilities of the consolidated CFEs in its financial statements using the more observable of the fair value of the financial assets and the fair value of the financial liabilities which results in KKR's consolidated net income (loss) reflecting KKR's own economic interests in the consolidated CFEs including (i) changes in the fair value of the beneficial interests retained by KKR and (ii) beneficial interests that represent compensation for services rendered.

## Notes to Financial Statements (Continued)

For the consolidated CLOs, KKR has determined that the fair value of the financial assets of the consolidated CLOs is more observable than the fair value of the financial liabilities of the consolidated CLOs. As a result, the financial assets of the consolidated CLOs are being measured at fair value and the financial liabilities are being measured in consolidation as: (1) the sum of the fair value of the financial assets and the carrying value of any nonfinancial assets that are incidental to the operations of the CLOs less (2) the sum of the fair value of any beneficial interests retained by KKR (other than those that represent compensation for services) and KKR's carrying value of any beneficial interests that represent compensation for services. The resulting amount is allocated to the individual financial liabilities (other than the beneficial interests retained by KKR).

### Due from and Due to Affiliates

KKR considers its principals and their related entities, unconsolidated investment funds and the portfolio companies of its funds to be affiliates for accounting purposes. Receivables from and payables to affiliates are recorded at their current settlement amount.

### Derivative instruments



Freestanding derivatives are instruments that KKR's asset management business and certain of its consolidated funds have entered into as part of their overall risk management and investment strategies. These derivative contracts are not designated as hedging instruments for accounting purposes. Such contracts may include forward, swap and option contracts related to foreign currencies and interest rates to manage foreign exchange risk and interest rate risk arising from certain assets and liabilities. All derivatives are recognized in Other Assets or Accrued Expenses and Other Liabilities and are presented on a gross basis in the consolidated statements of financial condition and measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. KKR's derivative financial instruments contain credit risk to the extent that its counterparties may be unable to meet the terms of the agreements. KKR attempts to reduce this risk by limiting its counterparties to major financial institutions with strong credit ratings.

## Securities Sold Short

Whether part of a hedging transaction or a transaction in its own right, securities sold short represent obligations of KKR to deliver the specified security at the contracted price at a future point in time, and thereby create a liability to repurchase the security in the market at the prevailing prices. The liability for such securities sold short, which is recorded in Accrued Expenses and Other Liabilities in the statement of financial condition, is marked to market based on the current fair value of the underlying security at the reporting date with changes in fair value recorded as unrealized gains or losses in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. These transactions may involve market risk in excess of the amount currently reflected in the accompanying consolidated statements of financial condition.

## Fees and Other

Fees and Other, as detailed above, are accounted for as contracts with customers. Under ASC 606, Revenue from Contracts with Customers ("ASC 606"), KKR is required to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) KKR satisfies its performance obligation. In determining the transaction price, KKR has included variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved.

## Notes to Financial Statements (Continued)

The following table summarizes KKR's revenues from contracts with customers:

| Revenue Type           | Customer                                      | Performance Obligation                                                                        | Performance Obligation Satisfied Over Time or Point In Time <sup>(1)</sup> | Variable or Fixed Consideration                                                                                                              | Payment Terms                                                              | Subject to Return Once Recognized | Classification of Uncollected Amounts <sup>(2)</sup>                      |
|------------------------|-----------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------|---------------------------------------------------------------------------|
| Management Fees        | Investment funds, CLOs and other vehicles     | Investment management services                                                                | Over time as services are rendered                                         | Variable consideration since varies based on fluctuations in the basis of the management fee over time                                       | Typically quarterly or annually in arrears                                 | No                                | Due from Affiliates                                                       |
| Transaction Fees       | Portfolio companies and third party companies | Advisory services and debt and equity arranging and underwriting                              | Point in time when the transaction (e.g. underwriting) is completed        | Fixed consideration                                                                                                                          | Typically paid on or shortly after transaction closes                      | No                                | Due from Affiliates (portfolio companies)<br>Other Assets (third parties) |
| Monitoring Fees        |                                               |                                                                                               |                                                                            |                                                                                                                                              |                                                                            |                                   |                                                                           |
| Recurring Fees         | Portfolio companies                           | Monitoring services                                                                           | Over time as services are rendered                                         | Variable consideration since varies based on fluctuations in the basis of the recurring fee                                                  | Typically quarterly in arrears                                             | No                                | Due from Affiliates                                                       |
| Termination Fees       | Portfolio companies                           | Monitoring services                                                                           | Point in time when the termination is completed                            | Fixed consideration                                                                                                                          | Typically paid on or shortly after termination occurs                      | No                                | Due from Affiliates                                                       |
| Incentive Fees         | Investment funds and other vehicles           | Investment management services that result in achievement of minimum investment return levels | Over time as services are rendered                                         | Variable consideration since contingent upon the investment fund and other vehicles achieving more than stipulated investment return hurdles | Typically paid shortly after the end of the performance measurement period | No                                | Due from Affiliates                                                       |
| Expense Reimbursements | Investment funds and portfolio companies      | Investment management and monitoring services                                                 | Point in time when the related expense is incurred                         | Fixed consideration                                                                                                                          | Typically shortly after expense is incurred                                | No                                | Due from Affiliates                                                       |
| Oil and Gas Revenues   | Oil and gas wholesalers                       | Delivery of oil liquids and gas                                                               | Point in time when delivery has occurred and title has transferred         | Fixed consideration                                                                                                                          | Typically shortly after delivery                                           | No                                | Other Assets                                                              |
| Consulting Fees        | Portfolio companies and other companies       | Consulting and other services                                                                 | Over time as services are rendered                                         | Fixed consideration                                                                                                                          | Typically quarterly in arrears                                             | No                                | Due from Affiliates                                                       |

(1) For performance obligations satisfied at a point in time, there were no significant judgments made in evaluating when a customer obtains control of the promised service.

(2) For amounts classified in Other Assets, see Note 15 14 "Other Assets and Accrued Expenses and Other Liabilities." For amounts classified in Due from Affiliates, see Note 21 20 "Related Party Transactions."

## Management Fees

KKR provides investment management services to investment funds, CLOs, and other vehicles and entities in exchange for a management fee. Management fees are generally determined quarterly based on an annual rate and are generally based upon a percentage of the capital committed, capital invested or net asset value during the investment period, if applicable. Thereafter, management fees are generally based on a percentage of remaining invested capital, net asset value, gross assets or as otherwise defined in the respective contractual agreements. Since some of the factors that cause the fees to fluctuate are outside of KKR's control, management fees are considered to be constrained and are therefore not included in the transaction price. Revenue recognized for the investment management services provided is generally determined at the end of the period because these management fees are payable on a regular basis (typically quarterly) and the uncertainty for that period is resolved.

## Notes to Financial Statements (Continued)

Management fees earned from KKR's consolidated investment funds and other vehicles and entities are eliminated in consolidation. However, because these amounts are funded by, and earned from, noncontrolling interests, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is increased by the amount of fees that are eliminated. Accordingly, net income (loss) attributable to KKR and KKR's stockholder's equity would be unchanged, if such investment funds and other vehicles were not consolidated.

Management fee calculations based on committed capital or invested capital are mechanical in nature and therefore do not require the use of significant estimates or judgments. Management fee calculations based on net asset value, total assets, or investment fair value depend on the fair value of the underlying investments within the investment vehicle.

## Fee Credits

Under the terms of the management agreements with certain of its investment funds, KKR is required to share with such funds an agreed upon percentage of certain fees, including monitoring and transaction fees earned from portfolio companies ("Fee Credits"). Investment funds earn Fee Credits only with respect to monitoring and transaction fees that are allocable to the fund's investment in the portfolio company and not, for example, any fees allocable to capital invested through co-investment vehicles. Fee Credits are calculated after deducting certain costs incurred in connection with pursuing potential investments that do not result in completed transactions ("broken-deal expenses") and generally amount to 80% for older funds formed on or prior to January 1, 2015, or 100% for newer funds, of allocable monitoring and transaction fees after broken-deal expenses are recovered, although the actual percentage may vary from fund to fund. Fee Credits are recognized and owed to investment funds concurrently with the recognition of monitoring fees, transaction fees and broken-deal expenses. Since Fee Credits are payable to investment funds, amounts owed are generally applied as a reduction of the management fee that is otherwise billed to the investment fund. Fee credits are recorded as a reduction of revenues in the consolidated statement of operations. Fee Credits owed to investment funds are recorded in Due to Affiliates on the consolidated statements of financial condition. See Note 21 20 "Related Party Transactions."

## Transaction Fees

KKR (i) arranges debt and equity financing, places and underwrites securities offerings, and provides other types of capital markets services for companies seeking financing in its Capital Markets business line and (ii) provides advisory services in connection with successful Private Equity, Real Assets and Credit and Liquid Strategies business line portfolio company investment transactions, in each case, in exchange for a transaction fee. Transaction fees are separately negotiated for each transaction and are generally based on (i) for Capital Markets business line transactions, a percentage of the overall transaction size and (ii) for Private Equity, Real Assets and Credit and Liquid Strategies business line transactions, a percentage of either total enterprise value of an investment or a percentage of the aggregate price paid for an investment. After the contract is established, there are no significant judgments made when determining the transaction price.

## Monitoring Fees

KKR provides services in connection with monitoring portfolio companies in exchange for a fee. Recurring monitoring fees are separately negotiated for each portfolio company. In addition, certain monitoring fee arrangements may provide for a termination payment following an initial public offering or change of control as defined in the contractual terms of the related agreement. These termination payments are recognized in the period when the related transaction closes. After the contract is established, there are no significant judgments made when determining the transaction price.

## Incentive Fees

KKR provides investment management services to certain investment funds, CLOs and other vehicles in exchange for a management fee as discussed above and, in some cases an incentive fee when KKR is not entitled to a carried interest. Incentive fee rates generally range from 10% 5% to 20% of investment gains. Incentive fees are considered a form of variable consideration as these fees are subject to reversal, and therefore the recognition of such fees is deferred until the end of each fund's measurement period when the performance-based incentive fees become fixed and determinable. Incentive fees are generally paid within 90 days of the end of the investment vehicles' measurement period. After the contract is established, there are no significant judgments made when determining the transaction price.

Incentive fees earned from KKR's consolidated investment funds, CLOs, and other vehicles are eliminated in consolidation. However, because these amounts are funded by, and earned from, noncontrolling interests, KKR's allocated share of the net income from the consolidated investment funds, CLOs, and other vehicles is increased by the amount of fees that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated.

## Notes to Financial Statements (Continued)

## Expense Reimbursements

Providing investment management services to investment funds and monitoring KKR's portfolio companies require KKR to arrange for services on behalf of them. In those situations where KKR is acting as an agent on behalf of its investment funds or portfolio companies, it presents the cost of services on a net basis as a reduction of Revenues. In all other situations, KKR is primarily responsible for fulfilling the services and is therefore acting as a principal for those arrangements for accounting purposes. As a result, the expense and related reimbursement associated with those services is presented on a gross basis. Costs incurred are classified within Expenses and reimbursements of such costs are

classified as Expense Reimbursements within Revenues on the consolidated statements of operations. After the contract is established, there are no significant judgments made when determining the transaction price.

#### Oil and Gas Revenue

On August 18, 2020, KKR transferred all the working and royalty interests in oil and natural gas properties, which were directly held by KKR and not held through investment funds, into a consolidated investment fund. Before the transfer, oil and gas revenue was recognized when the performance obligations were satisfied, which occurred at the point in time when control of the product transferred to the customer. Performance obligations were typically satisfied through the monthly delivery of production. Revenue was recognized based on KKR's proportionate share of production from non-operated properties as marketed by the operator. After the contract was established, there were no significant judgments made when determining the transaction price. As result of the transfer of all the working and royalty interests into a consolidated investment fund, no oil and gas revenue has been recognized since the date of the transfer.

#### Consulting Fees

KKR provides consulting and other services to portfolio companies and other companies in exchange for a consulting fee. Consulting fees are separately negotiated with each company for which services are provided. After the contract is established, there are no significant judgments made when determining the transaction price.

#### Capital Allocation-Based Income (Loss)

Capital allocation-based income (loss) is earned from those arrangements where KKR has a general partner capital interest and is entitled to a disproportionate allocation of investment income (referred to hereafter as "carried interest"). KKR accounts for its general partner interests in capital allocation-based arrangements as financial instruments under ASC 323, Investments - Equity Method and Joint Ventures ("ASC 323") since the general partner has significant governance rights in the investment funds in which it invests, which demonstrates significant influence. In accordance with ASC 323, KKR records equity method income based on the proportionate share of the income of the investment fund, including carried interest, assuming the investment fund was liquidated as of each reporting date pursuant to each investment fund's governing agreements. Accordingly, these general partner interests are accounted for outside of the scope of ASC 606. Other arrangements surrounding contractual incentive fees through an advisory contract are separate and distinct and accounted for in accordance with ASC 606. In these incentive fee arrangements, accounted for in accordance with ASC 606, KKR's economics in the entity do not involve an allocation of capital. See "Incentive Fees" above.

Carried interest is allocated to the general partner based on cumulative fund performance to date, and where applicable, subject to a preferred return to the funds' limited partners. At the end of each reporting period, KKR calculates the carried interest that would be due to KKR for each investment fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As the fair value of underlying investments varies between reporting periods, it is necessary to make adjustments to amounts recorded as carried interest to reflect either (a) positive performance resulting in an increase in the carried interest allocated to the general partner or (b) negative performance that would cause the amount due to KKR to be less than the amount previously recognized, resulting in a negative adjustment to carried interest allocated to the general partner. In each case, it is necessary to calculate the carried interest on cumulative results compared to the carried interest recorded to date and to make the required positive or negative adjustments. KKR ceases to record negative carried interest allocations once previously recognized carried interest allocations for an investment fund have been fully reversed. KKR is not obligated to make payments for guaranteed returns or hurdles and, therefore, cannot have negative carried interest over the life of an investment fund. Accrued but unpaid carried interest as of the reporting date is reflected in Investments in the consolidated statements of financial condition.

#### Notes to Financial Statements (Continued)

#### Compensation and Benefits

Compensation and Benefits expense includes (i) base cash compensation consisting of salaries and wages, (ii) benefits, (iii) carry pool allocations, (iv) equity-based compensation, and (v) discretionary cash bonuses.

To supplement base cash compensation, benefits, carry pool allocations, and equity-based compensation, KKR typically pays discretionary cash bonuses, which are included in Compensation and Benefits expense in the consolidated statements of operations, based principally on the level of segment (i) management fees and other fee revenues (including incentive fees), (ii) realized carried interest performance income and (iii) realized investment income earned during the year. The amounts paid as discretionary cash bonuses, if any, are at KKR's sole discretion and vary by individual to individual and from period to period, including having no cash bonus. KKR accrues discretionary cash bonuses when payment becomes probable and reasonably estimable which is generally in the period when KKR makes the decision to pay discretionary cash bonuses and is based upon a number of factors including the recognition of segment fee revenues, realized carried interest performance income, realized investment income and other factors determined during the year.

#### Notes to Financial Statements (Continued)

KKR decides whether to pay a discretionary cash bonus and determines the percentage of applicable revenue components to pay compensation only upon the occurrence of the realization event. There is no contractual or other binding obligation that requires KKR to pay a discretionary cash bonus to its employees, except in limited circumstances.

#### Carry Pool Allocation

With respect to KKR's our funds that provide for carried interest, KKR allocates a portion of the realized and unrealized carried interest that it KKR earns to a Associates Holdings, which is referred to as the carry pool, established at KKR Associates Holdings L.P. (which is not a subsidiary of KKR), from which its KKR's asset management employees and certain other carry pool participants are eligible to receive a carried interest allocation. The As of December 31, 2023, the allocation is determined based upon a fixed arrangement between KKR Associates Holdings L.P. and KKR, and KKR does not exercise discretion on whether to make an allocation to the carry pool upon a realization event. We refer to the portion of carried interest that KKR allocates to the carry pool as the carry pool percentage. These amounts are accounted for as compensatory profit sharing arrangements in Accrued Expenses and Other Liabilities within the accompanying consolidated statements of financial condition in conjunction with the related carried interest

income and are recorded as compensation expense. Upon a reversal of carried interest income, the related carry pool allocation, if any, is also reversed. Accordingly, such compensation expense is subject to both positive and negative adjustments.

In February 2021, following As of December 31, 2023, the carry pool percentage was fixed at 40%, 43% or 65% by investment fund, depending on the fund's vintage. For funds that closed after December 31, 2020 but before December 31, 2023, the carry pool percentage was fixed at 65%. For all funds that closed after June 30, 2017 but before December 31, 2020, the carry pool percentage was fixed at 43%, and the carry pool percentage was fixed at 40% for older funds that contributed to KKR's carry pool. Effective January 2, 2024, KKR is authorized to apply a carry pool percentage in excess of these fixed percentages of up to 80% for all funds. As of the date of this filing, no carry pool percentage has been changed for our funds that have closed on or before December 31, 2023. This increase to the carry pool percentage was approved by a majority of KKR's independent directors, and the carry pool percentage may not be increased above 80% without the further approval of a majority of KKR & Co. Inc.'s independent directors. KKR amended the percentage of carried interest that is allocable to the carry pool to 65% for (i) current investment funds for which no or de minimis amounts of carried interest was accrued as of December 31, 2020 and (ii) all future funds. For all other funds, the percentage of carried interest remains 40% or 43%, as applicable. The percentage of carried interest allocable to the carry pool may be increased above 65% only with the approval of a majority of KKR & Co. Inc.'s KKR's independent directors.

#### Equity-based Compensation

In addition to the cash-based compensation and carry pool allocations as described above, employees receive equity awards under the Amended and Restated KKR & Co. Inc. 2010 Equity Incentive Plan (the "2010 Equity Incentive Plan") and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (the "2019 Equity Incentive Plan" and, together with the 2010 Equity Incentive Plan, the "Equity Incentive Plans"). Most of these awards are subject to service-based vesting typically over a three to five-year period from the date of grant, while in certain cases vesting is subject to the achievement of market conditions. Certain of these awards are subject to transfer restrictions and minimum retained ownership requirements. KKR considers both historical volatility and implied volatility in estimating expected volatility. All these awards are equity-classified and the related expense is recognized in Compensation and Benefits. The total tax benefit recognized in the income statement for equity based compensation was \$18.7 million, \$26.6 million, \$66.9 million, and \$26.7 \$66.9 million for the years ended December 31, 2022 December 31, 2023, 2021, 2022, and 2020, 2021, respectively.

#### Profit Sharing Plan

KKR provides certain profit sharing programs for KKR employees. In particular, KKR provides a 401(k) plan for eligible employees in the United States. For certain employees who are participants in the 401(k) plan, KKR may, in its discretion, contribute an amount after the end of the plan year.

### Notes to Financial Statements (Continued)

#### General, Administrative and Other

General, administrative and other expense consists primarily of professional fees paid to legal advisors, accountants, advisors and consultants, insurance costs, travel and related expenses, communications and information services, depreciation and amortization charges, broken-deal expenses, placement fees and other general operating expenses. A portion of these general administrative and other expenses, in particular broken-deal expenses, are borne by fund investors.

### Notes to Financial Statements (Continued)

#### Investment Income

Investment income consists primarily of the net impact of:

- i. Realized and unrealized gains and losses on investments, securities sold short, derivatives and debt obligations of consolidated CFEs which are recorded in Net Gains (Losses) from Investment Activities. Upon disposition of an investment, previously recognized unrealized gains or losses are reversed and a realized gain or loss is recognized.
- ii. Foreign exchange gains and losses relating to mark-to-market activity on foreign exchange forward contracts, foreign currency options and foreign denominated debt which are recorded in Net Gains (Losses) from Investment Activities.
- iii. Dividends, which are recognized on the ex-dividend date, or, in the absence of a formal declaration of a record date, on the date it is received.
- iv. Interest income, which is recognized as earned.
- v. Interest expense, which is recognized as incurred.

### Notes to Financial Statements (Continued)

#### SIGNIFICANT ACCOUNTING POLICIES - INSURANCE

The significant accounting policies applicable to KKR's insurance business, which is conducted by Global Atlantic, are described below.

#### Investments

In the normal course of business, Global Atlantic enters into transactions involving various types of investments.

Investments include the following: U.S. government and agency obligations; commercial mortgage-backed securities ("CMBS"), residential mortgage-backed securities ("RMBS"), collateralized loan obligations ("CLOs"), collateralized bond obligations ("CBOs"), and all other structured securities, consisting primarily of asset-backed securities ("ABS") (collectively, "structured securities"); corporate bonds; state and political subdivision obligations; foreign government obligations; equity securities; mortgage and other loan receivables; policy loans; and other non-derivative investments.

#### Available-for-sale fixed maturity securities

Global Atlantic primarily accounts for its fixed maturity securities (including bonds, structured securities and redeemable preferred stock) as available-for-sale ("AFS"). AFS fixed maturity securities are generally recorded on a trade-date basis and are carried at fair value. Impairment associated with AFS fixed maturity securities is recognized as an allowance for credit losses. The allowance for credit losses is established either by a charge to net investment-related losses in the consolidated statements of operations, for securities identified as credit impaired after purchase, or by a gross-up recognition of an initial allowance for purchased credit deteriorated ("PCD") securities.

PCD securities are those purchased by Global Atlantic that were assessed at acquisition as having experienced a more-than-insignificant deterioration in credit quality since their origination. Global Atlantic considers an AFS fixed maturity security to be PCD if there are indicators of a credit loss at the acquisition date or, in the case of structured securities, if there is a significant difference between contractual cash flows and expected cash flows at acquisition. PCD securities also include those AFS fixed maturity securities previously held by Global Atlantic that were similarly assessed at the time of the 2021 GA acquisition. Acquisition. The initial amortized cost for a PCD security equals the purchase price plus the initial allowance for credit losses. The initial allowance for credit losses is determined using a discounted cash flow method based on the best estimate of the present value of cash flows expected to be collected. After purchase, the accounting for a PCD security is generally consistent with that applied to all other securities.

Unrealized gains and losses on AFS fixed maturity securities, net of tax and insurance intangible amortization, are reported in accumulated other comprehensive income ("AOCI") in the consolidated statements of financial condition. Realized investment gains and losses are recognized on a first-in first-out ("FIFO") basis and are reported in net investment-related losses in the consolidated statements of operations. The amortized cost of fixed maturity securities is adjusted for impairment charge-offs, amortization of premiums and accretion of discounts. Such amortization and accretion is calculated using the effective yield method and included in net investment income in the consolidated statements of operations.

#### Notes to Financial Statements (Continued)

For structured securities, Global Atlantic recognizes interest income using a constant effective yield based on estimated cash flows generated from internal models utilizing interest rate, default and prepayment assumptions. Effective yields for structured securities that are not of high credit quality are recalculated and adjusted prospectively based on changes in expected undiscounted future cash flows, after consideration of any appropriate recognition or release of an allowance for credit losses. For structured securities that are of high credit quality, effective yields are recalculated based on payments received and updated prepayment expectations, and amortized cost is adjusted to the amount that would have existed had the new effective yield been applied since acquisition with a corresponding charge or credit to net investment income. Prepayment fees are recorded when earned in net investment income in the consolidated statements of operations.

Global Atlantic generally suspends accrual of interest for securities that are more than 90 days past due and reverses any related accrued interest to net investment income in the consolidated statements of operations. When a security is in non-accrual status, coupon payments are recognized as interest income as cash is received, subject to consideration as to the overall collectibility of the security. A security is returned to accrual status when Global Atlantic determines that the collection of amounts due is probable. The allowance for credit losses excludes accrued interest from the amortized cost basis for which losses are estimated.

#### Notes to Financial Statements (Continued)

#### Trading fixed maturity securities

Global Atlantic accounts for certain fixed maturity securities as trading at acquisition, based on intent or via the election of the fair value option. Trading securities are generally recorded on a trade-date basis and are carried at fair value, with realized and unrealized gains and losses reported in net investment-related gains (losses) in the consolidated statements of operations. Interest income from these securities is reported in net investment income. Trading securities, which are primarily used to match asset and liability accounting, back funds withheld payable at interest where the investment performance is ceded to reinsurers under the terms of the respective reinsurance agreements.

#### Equity securities

Global Atlantic accounts for its investments in equity securities (including common stock and non-redeemable preferred stock) that do not require equity method accounting or result in consolidation, at fair value. Realized and unrealized investment gains and losses are reported in net investment-related gains (losses) in the consolidated statements of operations.

#### Mortgage and other loan receivables

Global Atlantic purchases and originates mortgage and other loan receivables, and these loans are carried at cost, less the allowance for credit losses and as adjusted for amortization/accretion of premiums/discounts. The allowance for credit losses is established either by a charge to net investment-related losses in the consolidated statements of operations or, for PCD mortgage and other loan receivables, by a gross-up recognition of the initial allowance in the consolidated statements of financial condition.

PCD mortgage and other loan receivables are those purchased by Global Atlantic that were assessed at acquisition as having experienced a more-than-insignificant deterioration in credit quality since their origination. PCD mortgage and other loan receivables also include those mortgage and other loan receivables previously held by Global Atlantic that were similarly assessed at the time of the 2021 GA Acquisition. The initial amortized cost for a PCD mortgage or other loan receivable equals the purchase price plus the initial allowance for credit losses. The initial allowance for credit losses is determined using a method consistent with that used for other similar loans. See further discussion of allowance methods below. After purchase, the accounting for a PCD mortgage or other loan receivable is consistent with that applied to all other mortgage and other loan receivables. As part of the 2021 GA Acquisition, Global Atlantic identified \$3.7 billion of PCD mortgage and other loan receivables with a related allowance of \$120.3 million. The

initial allowance on the non-PCD mortgage and other loan receivables was recognized outside the purchase accounting analysis and had an impact on the consolidated statement statements of operations of \$183.6 million.

Loan premiums or discounts are amortized or accreted using the effective yield method. Interest income is accrued on the principal balance of each loan based on its contractual interest rate. The accrual of interest is generally suspended when the collection of interest is no longer probable or the collection of any portion of principal is doubtful. Global Atlantic generally suspends accrual of interest for loans that are more than 90 days past due and reverses any related accrued interest to net investment income in the consolidated statements of operations. When a loan is in non-accrual status, coupon payments are generally recognized as interest income as cash is received, subject to consideration as to the overall collectibility of the loan. A loan is returned to accrual status when Global Atlantic determines that the collection of amounts principal and interest due is probable. The allowance for credit losses excludes accrued interest from the amortized cost basis for which losses are estimated.

#### Notes to Financial Statements (Continued)

##### Policy loans

Policy loans are loans policyholders take out against their life insurance policies. Each policy loan is fully collateralized by the cash surrender value of the policyholder's life insurance policy. Policy loans are carried at unpaid principal balances. Interest income on such loans is recognized as earned using the contractually agreed upon interest rate and reflected in net investment income in the consolidated statements of operations. Generally, interest is capitalized on the associated policy's anniversary date.

##### Other investments

Other investments in the consolidated statements of financial condition include Global Atlantic's investments in investment partnerships, for which Global Atlantic does not have voting control or power to direct activities. These investments are accounted for using the equity method of accounting unless Global Atlantic's interest is so minor that it has virtually no influence over partnership operating or financial policies. The equity method of accounting requires that the investments be initially recorded at cost and the carrying amount of the investment subsequently be adjusted to recognize Global Atlantic's share of the earnings and losses of the investee. Where there is a difference between the cost of the investment and Global Atlantic's proportionate share of the equity method investee's net assets, this basis difference is accreted to net investment income over the life of the underlying assets. In applying the equity method, Global Atlantic uses financial information provided by the investee, generally on a one to three month lag due to the timing of the receipt of related financial statements.

#### Notes to Financial Statements (Continued)

The income from Global Atlantic's equity method investments is included in net investment income in the consolidated statements of operations. In limited circumstances, Global Atlantic elects to apply the fair value option to investment partnerships, which are carried at fair value with unrealized gains and losses reported in net investment-related gains (losses) in the consolidated statements of operations. The contributions to and distributions from investment partnerships are classified as investing activities within the consolidated statements of cash flows.

Global Atlantic consolidates investment partnerships and other entities when it has a controlling financial interest. The results of certain consolidated investment entities are reported on a one to three month lag and intervening events are evaluated for materiality and recognition by disclosure or otherwise, as appropriate.

Included in other investments are Global Atlantic's investments in renewable energy entities, including partnerships and limited liability companies. Respective investments are consolidated when Global Atlantic has a controlling financial interest, or are accounted for using the equity method of accounting when Global Atlantic has the ability to exercise significant influence but not control. These investments involve tiered capital structures that facilitate a waterfall of returns and allocations to ensure the efficient use of tax credits. A conventional income statement oriented approach to the equity method of accounting, or to the recognition of noncontrolling interests (when Global Atlantic is consolidating the investment), based on ownership percentages does not accurately reflect the proper allocation of income and cash flows for these investments. Instead, Global Atlantic uses the HLBV which is a balance sheet oriented approach to the equity method of accounting and to the recognition of noncontrolling interests that allocates income and cash flows based on changes to each investor's claim to net assets assuming a liquidation of the investee as of each reporting date, including an assessment of the likelihood of liquidation in determining the contractual provisions to utilize when applying the HLBV method.

Investments in real assets included in other investments in the consolidated statements of financial condition relate to Global Atlantic's consolidated investments in renewable energy entities and investments in transportation assets. The income, as well as the depreciation and other expenses associated with these tangible assets is reported in net investment income in the consolidated statements of operations.

Income on consolidated investments in renewable energy entities is earned from the sale of the energy generated under long-term contracts. Income on investments in transportation assets is earned from the lease of these assets. Tangible assets associated with renewable energy entities primarily comprise solar energy systems, which are depreciated on a straight-line basis over their estimated useful lives of generally 35 years. Transportation assets are primarily aircraft and railcars, which are depreciated to their estimated salvage value on a straight-line basis over their remaining useful lives. These useful lives generally range up to 25 years for aircraft and 45 years for railcars, as determined from the date of manufacture.

#### Notes to Financial Statements (Continued)

Global Atlantic has certain investments in real estate held in consolidated investment companies that account for such real estate at fair value under investment company accounting, and this specialized accounting is retained in consolidation. Real estate investments are generally valued using a combination of direct income capitalization and discounted cash flow analysis. Certain real estate investments are valued based on ranges of valuations determined by independent valuation firms. Investments in real estate that are carried at depreciated cost are depreciated on a straight-line basis over estimated useful lives of up to 40 years. Net rental income and depreciation on the investments in real



estate **is** are recognized in net investment income and changes in the fair value of real estate **in consolidated investment companies** are recognized in net investment-related gains (losses) in the consolidated statements of operations.

Investments in Federal Home Loan Bank ("FHLB") common stock are also included in other investments in the consolidated statements of financial condition and are accounted at cost.

#### Derivative instruments

Derivatives are instruments that derive their values from underlying asset prices, indices, foreign exchange rates, reference rates and other inputs or a combination of these factors. Derivatives may be privately negotiated contracts, which are usually referred to as over-the-counter ("OTC") derivatives, or they may be listed and traded on an exchange ("exchange-traded"). Global Atlantic's derivative instruments are primarily used to hedge certain risks, including interest rate risk, equity market risk and foreign exchange risk. Where certain criteria are met, some of these hedging arrangements may achieve hedge accounting.

#### Notes to Financial Statements (Continued)

Derivative instruments are recognized at estimated fair value in either funds withheld receivable at interest, other assets, funds withheld payable at interest or accrued expenses and other liabilities in the consolidated statements of financial condition, with changes in fair value recorded in net investment-related gains (losses) in the consolidated statements of operations. Where certain qualifying criteria are met, some derivative instruments are designated as accounting hedges and are recognized at estimated fair value in derivative assets or accrued expenses and other liabilities in the consolidated statements of financial condition. For derivative instruments designated as fair value hedges, changes in fair value are recognized in the consolidated statements of operations, in the same line where the hedged item is reported. For derivative instruments designated as cash flow hedges, changes in fair value are initially recognized in accumulated other comprehensive income (loss) in the consolidated statements of financial condition and subsequently reclassified to the consolidated statements of operations when the hedged item affects earnings, in the same line item where the hedged item is reported.

Derivative receivables and payables with a counterparty that are subject to an International Swaps and Derivatives Association Master Agreement ("ISDA") or other similar agreement that provides a legal right of setoff, are presented at their net amounts. Where the legal right of setoff exists, Global Atlantic also offsets the fair value of cash collateral received or posted under an ISDA, or other similar agreement with a counterparty, against the related derivative balances as appropriate.

#### Investment credit losses and impairment

##### *Available-for-sale fixed maturity securities*

One of the significant estimates related to AFS securities is the evaluation of those investments for credit losses. The evaluation of investments for credit losses is a quantitative and qualitative quarterly process that is subject to risks and uncertainties and involves significant estimates and judgments by management. Changes in the estimates and judgments used in such analysis can have a significant impact on the consolidated statements of operations. Considerations relevant to the evaluation of credit losses may include the severity of any loss position, as well as changes in market interest rates, changes in business climate, management changes, litigation, government actions, and other similar factors that may impact an issuer's ability to meet current and future principal and interest obligations. Indicators of credit impairment may also include changes in credit ratings, the frequency of late payments, pricing levels and deterioration in any, or a combination of, key financial ratios, financial statements, revenue forecasts and cash flow projections.

For AFS fixed maturity securities in an unrealized loss position, Global Atlantic first considers the intent to sell a security, or whether it is more-likely-than-not that it will be required to sell the security, before the recovery of its amortized cost. If Global Atlantic intends to sell an AFS fixed maturity security with an unrealized loss or it is more-likely-than-not that it will be required to sell an AFS fixed maturity security with an unrealized loss before recovery of its amortized cost basis, the amortized cost is written down to fair value and a corresponding charge is recognized to net investment-related losses.

#### Notes to Financial Statements (Continued)

For AFS fixed maturity securities in an unrealized loss position that Global Atlantic does not intend to sell, and will not be required to sell, Global Atlantic bifurcates the impairment into two components: credit impairment and non-credit impairment. Credit impairments are measured as the difference between the security's cost or amortized cost and its estimated recoverable value, which is the present value of its expected future cash flows discounted at the current effective interest rate. The estimated recoverable value is subject to a floor equal to the fair value of the security. The remaining difference between the security's fair value and the recoverable value, if any, is the non-credit impairment. Credit impairments are recognized in the allowance for credit losses on AFS fixed maturity securities, which is established via a charge to net investment-related losses in the consolidated statements of operations, and non-credit impairments are charged to accumulated other comprehensive income in the consolidated statements of financial condition.

In determining the estimated recoverable value, the review of expected future cash flows for structured securities includes assumptions about key systemic risks (e.g., unemployment rates, housing prices) and loan-specific information (e.g., delinquency rates, loan-to-value ratios). Estimating future cash flows is a quantitative and qualitative process that incorporates information received from third parties, along with assumptions and judgments about the future performance of the underlying collateral. For corporate and government bonds the recoverable value is determined using cash flow estimates that consider facts and circumstances relevant to the security and the issuer, including overall financial strength and secondary sources of repayment as well as pending restructuring or disposition of assets. Where information for such cash flow estimates is limited or deemed not reliable, fair value is considered the best estimate of the recoverable value.

#### Notes to Financial Statements (Continued)

In periods subsequent to the initial recognition of an allowance for credit losses on a fixed maturity security, whether for a PCD security or a security impaired since purchase, Global Atlantic continues to monitor credit loss expectations. Deterioration in the estimated recoverable value of a credit impaired security is recognized as an addition to the allowance for credit losses, as limited by the amount by which the security's fair value is less than amortized cost. Improvements in the estimated recoverable value of a credit



impaired security or improvements in the fair value of a credit impaired security that limit the amount of the allowance result in reductions in the allowance for credit losses, which are recognized as a credit to net investment-related gains in the consolidated statements of income.

Amounts are charged off against the allowance for credit losses when deemed uncollectible or when Global Atlantic determines that it intends to sell, or more likely than not will be required to sell, the security. Charge-offs are reflected as a decrease in the allowance and a direct write down in the amortized cost of the security. If Global Atlantic recovers all or a portion of an amount previously written off on a credit impaired security, the recovery is recognized as a realized investment gain.

#### *Mortgage and other loan receivables*

Global Atlantic updates its estimate of the expected credit losses on its investments in mortgage and other loan receivables each quarter. For loans that share similar risk characteristics, expected credit losses are measured on a pool basis. For loans that do not share similar risk characteristics, expected credit losses are measured individually. Loans subject to individual evaluation include those loans that are collateral dependent, where the borrower is experiencing financial difficulty. For these collateral dependent loans, expected credit losses are measured as the difference between the fair value of the collateral (less costs to sell, where the collateral is to be sold) and the amortized cost basis of the loan.

For commercial mortgage loans, the current expected credit losses are estimated using a model that evaluates the probability that each loan will default and estimates the amount of loss given the occurrence of such a default over the life of each loan in the portfolio. The model incorporates historical and current data on the relevant property market and projects potential future paths for each loan's collateral, considering both the net income to be generated by the collateral real estate and its market value. The model considers how macroeconomic forecasts (such as gross domestic product, unemployment, and interest rates) influence commercial real estate market factors (including vacancy rates, rental and income growth rates, property value changes), and in turn how commercial real estate market conditions, in combination with loan specific information (including debt service coverage and loan to value), drive commercial mortgage loan credit risk.

For residential mortgage loans and consumer loans, the current expected credit losses are primarily estimated using a discounted cash flow model. The model considers loan-specific information as well as current, historical and forecasted data relevant to the respective loans, including home prices, interest rates and unemployment. Expected cash flows are projected for each loan and are discounted using the effective interest rate of the respective loan. Any shortfalls between the discounted cash flows and the amortized cost of each individual loan are aggregated to determine the total allowances on the residential mortgage loan and consumer loan portfolios. For certain residential mortgage loans secured by single-family rental properties, current expected credit losses are determined using a model consistent with that described above for commercial mortgage loans.

### **Notes to Financial Statements (Continued)**

With regard to the use of forecasts in the determination of Global Atlantic's current expected credit losses, the reversion of forecasts to historical data is based on reversion dynamics that depend on the specific variable and its interaction with the other parameters of the respective model; however, the forecasts generally tend to revert to a long-term equilibrium trend within two to three years from the forecast start date.

For the investment in other loan receivables, a variety of methodologies are used to estimate the respective current expected credit losses. These methodologies consider the terms specific to each loan, including the value of any collateral, and evaluate the risk of loss over the life of these loans.

Global Atlantic also assesses and measures an allowance for credit losses arising from off-balance sheet commitments, including loan commitments, that are not unconditionally cancellable by Global Atlantic. This allowance for credit losses for off-balance sheet commitments is determined using methods consistent with those used for the associated mortgage and other loan receivable class, as described above, and is recognized in other liabilities in the consolidated statements of financial condition, since there is no funded asset for the committed amount.

When all or a portion of a loan is deemed uncollectible, the uncollectible portion of the carrying amount of the loan is charged off against the allowance. If Global Atlantic recovers all or a portion of an amount previously written off on a credit impaired loan, the recovery is recognized as a realized investment gain.

### **Notes to Financial Statements (Continued)**

#### *Other investments*

The determination of the amount of impairment on other classes of investments also requires significant judgment and is based upon a periodic evaluation and assessment of known and inherent risks associated with the respective asset class. Such assessments are revised as conditions change and new information becomes available.

Impairment of consolidated renewable energy assets and transportation assets, as well as investments in real estate carried at depreciated cost, is assessed whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When indicators of impairment are present, a recoverability test is performed to determine if the sum of the estimated undiscounted future cash flows attributable to the assets is greater than the carrying amount. If the undiscounted estimated future cash flows are less than the carrying amount, an impairment loss is recognized based on the amount by which the carrying amount exceeds its estimated fair value.

Impairment of investments subject to the equity method of accounting is assessed whenever events or circumstances suggest that the carrying amount may not be recoverable. An impairment charge is recognized in earnings for a decline in value that is determined to be other than temporary and is measured as the difference between the carrying amount and the fair value of the equity method investment as of the balance sheet date.

#### **Deferral and amortization of certain revenues and expenses**

##### *Deferrals*

Deferred policy acquisition costs ("DAC") consist of commissions and other costs that are directly related to the successful acquisition of new or renewal life insurance or annuity contracts. Deferred sales inducements ("DSI") DAC is estimated using a group approach, instead of on an individual contract level. DAC groups, or cohorts, are generated by

annuities that offer enhanced crediting rates or bonus payments to policyholders product type and is included issue year and consistent with the groups used in other assets in estimating the consolidated statements of financial condition. associated insurance liability. DAC is recorded in insurance intangibles in the consolidated statements of financial condition.

Value of business acquired ("VOBA") represents the difference between the carrying value of the purchased in-force insurance contract liabilities at the time of the business combination and the estimated fair value of insurance and reinsurance contracts. VOBA can be either positive or negative. Positive VOBA is recorded in insurance intangibles. Negative VOBA is recorded in the same financial statement line in the consolidated statement statements of financial condition as the associated reserves.

Revenues from certain universal life insurance For limited-payment products (e.g., payout annuities), gross premiums received in excess of net premiums are deferred to future periods and an unearned revenue reserve ("URR") at initial recognition as a deferred profit liability ("DPL"). DPL is established. The amount deferred is equal to measured using assumptions consistent with those used in the excess measurement of the revenue collected over an estimate of the ultimate liability for future level of these revenues policy benefits, including discount rate, mortality, lapses, and included in policy liabilities in the consolidated statements of financial condition.

Deferred revenue liability ("DRL") represents the gross premium less the net premium on limited pay contracts (i.e., payout annuities). DRL expenses. DPL is included recorded in policy liabilities in the consolidated statements of financial condition.

For certain preneed contracts, the gross premium is in excess of the benefit reserve plus additional insurance liability. An unearned front-end load ("UFEL") is established to defer the recognition of this front-end load. UFEL is included recorded in policy liabilities in the consolidated statements of financial condition.

## Amortization

For interest-sensitive products (fixed-indexed annuities and variable annuities, most universal life including preneed contracts, and variable universal life), DAC and DSI assets are generally amortized in proportion to actual historical gross profits and estimated future gross profits over the estimated lives of the contracts. The amount of gross profit consists principally of investment returns (including hedge gains and losses) in excess of the amounts credited to policyholders, asset-based and other policy fees, and surrender charges reduced by death and other excess benefits and expenses. Numerous factors including mortality, benefit utilization, surrender activity, premium persistency, and the economic environment influence the level and timing of gross profits.

Estimated gross profits are updated each reporting period with actual gross profits as part of the amortization process for the interest-sensitive policies. When actual gross profits are higher in the period than had been previously estimated, more amortization is recognized than planned. When actual gross profits are lower than had been previously estimated, less amortization is recognized than planned. These relationships hold provided that future estimates of gross profits remain unchanged, which may not always be true.

VOBA is generally amortized on a constant level basis using policy count over the estimated lives of the contracts.

## Notes to Financial Statements (Continued)

*When a different basis of amortization is determined to be more representative of the economics, such as when negative estimated gross profits or margins occur, an alternative basis of amortization may be selected for DAC and VOBA. Amortization*

For most term and whole life products, DAC is amortized in proportion to premium revenue recognized.

DRL is amortized on a straight-line constant level basis for whole the grouped contracts over the expected economic life of the related contracts. Global Atlantic amortizes DAC for all products on a constant level basis based on policy count, except for DAC for traditional life products that are amortized on a constant level basis based on face amount. The constant level bases used for amortization are projected using mortality and term life insurance policies. For annuities, universal life lapse assumptions that are based on Global Atlantic's experience, industry data, and indexed universal life policies, DRL other factors and are consistent with those used for the liability for future policy benefits. If those projected assumptions change in future periods, they will be reflected in the cohort level amortization basis at that time. Unexpected lapses, due to higher mortality and lapse experience than expected, are recognized in the current period as a reduction of the capitalized balances.

Amortization of DAC is included in amortization of policyholder acquisition costs in the consolidated statements of operations.

VOBA is generally amortized using the same methodology and assumptions used to amortize DAC.

DPL is amortized and recognized in proportion to insurance in-force for life insurance contracts and expected future benefit payments for annuity contracts. Interest is accreted on the pattern balance of policyholder death benefits in-force. For payout annuities, DRL the DPL using the discount rate determined at contract issuance. Global Atlantic reviews and updates its estimates of cash flows for the DPL at the same time as the estimates of cash flows for the liability for future policy benefits. When cash flows are updated, the updated estimates are used to recalculate the DPL at contract issuance. The recalculated DPL as of the beginning of the current reporting period is compared to the carrying amount of the DPL as of the beginning of the current reporting period, and any difference is recognized in income in as either a constant relationship with the amount of expected future payments, charge or credit to net policy benefits and claims.

URR UFEL is amortized consistent with the amortization of DAC on similar products. UFEL is amortized consistent with the method used in the amortization of DAC for preneed contracts.

The key assumptions used in the calculation of the amortization of DAC, VOBA these balances are reviewed quarterly and DSI are periodically updated if actual experience or other evidence suggests that current assumptions should be revised. In addition, Global Atlantic formally reviews assumptions annually as part of the assumptions review process, which results in revisions to the estimated future gross profits. process. The effects of changes in assumptions are recorded as unlocking in net income in the period in which the changes are made. The following are types of changes to future assumptions that would generally result in a negative unlocking (i.e., an acceleration of amortization resulting in a reduction to net income): lower equity returns, lower investment returns, higher operating expenses, higher mortality, and unfavorable lapses.

The carrying amounts of DAC, DSI, URR and UFEL are adjusted for the effects of realized and unrealized gains and losses on debt and equity securities classified as AFS and certain derivatives.

Internal replacements

An internal replacement is a modification in product benefits, features, rights, or coverages that occurs by the legal extinguishment of one contract and the issuance of another contract (a contract exchange), or by amendment, endorsement, or rider to a contract, or by the election of a benefit, feature, right, or coverage within a contract. If the modification does not substantially change the contract, Global Atlantic does not change the accounting unchanged contract is viewed as a prospective revision and amortization of existing the unamortized DAC is adjusted prospectively. As such, unamortized DAC and related actuarial other associated balances (i.e., from the unchanged contract are retained and acquisition costs incurred to modify the contract are not deferred but expensed as incurred. Other balances associated with the unchanged contract, such as any liability for future policyholder benefit or market risk benefits, should similarly be accounted for as if the unchanged contract is a continuation of contract accounting, the original contract. If an internal replacement represents a substantial change, the original contract is considered to be extinguished and any related DAC or other policy balances are charged or credited to income, and any new deferrable costs associated with the replacement contract are deferred.

#### Separate accounts

Separate account assets and liabilities represent segregated funds administered and invested by Global Atlantic for the benefit of variable annuities and variable universal life insurance contractholders and certain pension funds. Global Atlantic reports separately, as assets and liabilities, investments held in the separate accounts and liabilities of separate accounts if: (1) such separate accounts are legally recognized; (2) assets supporting the contract liabilities are legally insulated from Global Atlantic's general account liabilities; (3) investments are directed by the contract owner or participant; and (4) all investment performance, net of contract fees and assessments, is passed through to the contract owner.

Separate account assets consist principally of mutual funds at fair value. The investment income and gains and losses of these accounts generally accrue to the contractholders and therefore, are not included in Global Atlantic's net income. However, Global Atlantic's net income reflects fees assessed and earned on fund values of these contracts which are presented as a component of policy fees in the consolidated statements of operations. Realized investment gains and losses related to separate accounts that meet the conditions for separate account reporting accrue to and are borne by the contractholder.

#### Notes to Financial Statements (Continued)

#### Policy liabilities

Policy liabilities, or collectively, "reserves," are the portion of past premiums or assessments received that are set aside to meet future policy and contract obligations as they become due. Interest accrues on these reserves and on future premiums, which may also be available to pay for future obligations. Global Atlantic establishes reserves to pay future policyholder benefits, claims, and certain expenses for its life policies and annuity contracts.

Reserves are estimates based on models that include many actuarial assumptions and projections. These assumptions and projections, which are inherently uncertain, involve significant judgment, including assumptions as to the levels and/or timing of premiums, benefits, claims, expenses, interest credits, investment results (including equity market returns), mortality, longevity, and persistency.

#### Notes to Financial Statements (Continued)

The assumptions on which reserves are based are intended to represent an estimation of experience for the period that policyholder benefits are payable. The adequacy of these reserves and the assumptions underlying those reserves are reviewed at least annually. Global Atlantic cannot, however, determine with precision the amount or the timing of actual policyholder benefit payments. If actual experience is better than or equal to the assumptions, then reserves would be adequate to provide for future policyholder benefits and expenses. If experience is worse than the assumptions, additional reserves may be required to meet future policy and contract obligations. This would result in a charge to Global Atlantic's net income during the period in which excess policyholder benefits are paid or an increase in reserves occurs.

For a majority of Global Atlantic's in-force policies, including its universal life policies and most annuity contracts, the base policy reserve is equal to the account value. For these products, the account value represents Global Atlantic's obligation to repay to the policyholder the amounts held on deposit. However, there are several significant blocks of business where additional policyholder reserves are explicitly calculated, including variable fixed-indexed annuities, fixed-indexed variable annuities, universal life with secondary guarantees, indexed universal life and preneed policies.

#### Fixed-rate and fixed-indexed Annuity contracts

##### Fixed indexed annuities ("FIA")

Contractholder deposits fund reserves Policy liabilities for fixed-indexed annuities ("FIA") earning a fixed rate of interest and certain other fixed-rate annuity products are computed under a retrospective deposit method and represent policyholder account balances before applicable surrender charges. For certain fixed-rate annuity products, an additional reserve was established for above market interest rate guarantees upon acquisition. These reserves are amortized on a straight-line basis over the remaining guaranteed interest rate period.

Certain of Global Atlantic's fixed-indexed annuity products enable the policyholder to allocate contract value between a fixed crediting rate and strategies which reflect the change in the value of an index, such as the S&P 500 Index or other indices. These products are accounted for as investment-type contracts. The liability for these products consists of a combination of the underlying account value and an embedded derivative value. The liability for the underlying account value is primarily based on policy guarantees and its initial value is the difference between the premium payment and the fair value of the embedded derivative. Thereafter, the account value liability is determined in a manner consistent with the accounting for a deposit liability under the "constant effective yield method." All future host balances are determined as: (1) the initial host balance; (2) plus interest; (3) less applicable policyholder benefits. The interest rate used in the prior roll forward is re-determined on each valuation date, per the constant effective yield method. The embedded derivative component's fair value is based on an estimate of the policyholders' expected participation in future increases in the relevant index. The fair value of this embedded derivative component includes assumptions, including those about future interest rates and investment yields, future costs for options used to hedge the contract obligations, projected withdrawal and surrender activity, benefit utilization and the level and limits on contract participation in any future increases in the respective index option. The account value liability and embedded derivative are recorded in policy liabilities in the consolidated statements of financial condition, with changes in value of the liabilities recorded in policy benefits and claims in the consolidated statements of operations.

Global Atlantic issues funding agreements to certain unaffiliated (and non-unconsolidated) special purpose entities that have issued debt securities for which payment of interest and principal is secured by such funding agreements. Global Atlantic's funding agreements are considered investment type contracts and liabilities are calculated as the present value of future payments. Global Atlantic's obligation is reported in policy liabilities in the consolidated statements of financial condition. Interest expense is calculated using the effective interest method and recorded in policy benefits and claims in the consolidated statements of income.

Contractholder deposit funds reserves for certain assumed blocks of fixed-indexed and fixed-rate annuity products are accounted for as investment-type contracts. A net liability (consisting of the benefit reserve plus deferred revenue liability less DAC) ceding commission paid between a ceding and assuming reinsurance company is established at inception and amortized under the constant effective yield method.

#### Notes to Financial Statements (Continued)

Global Atlantic issues registered index-linked annuity ("RILA") contracts, which are similar to FIAs that offer in offering the policyholder the opportunity to participate in the performance of a market index, subject to a cap or adjusted for a participation rate. In contrast to the FIA, the RILA enables policyholders to earn higher returns but with the risk of loss to principal and related earnings. In particular, if performance of the market indices is negative, the policyholder may potentially realize absorb losses, subject to downside protection in the form of either a "buffer" or a "floor" specified in the contract. A "buffer" is protection from downside performance up to a certain percentage, typically 10 percent, with uncapped losses thereafter. A "floor" is protection from downside performance in excess of the "floor"; "floor," e.g., if the floor is 10% then the policyholder absorbs losses up to 10% but not in excess.

#### Notes to Financial Statements (Continued)

The RILA is accounted for similar to the FIA. The RILA host contract is calculated at the inception of the contract as the value of the initial premium minus the value of the index option, which is an embedded derivative. That initial host value is then accreted to the guaranteed surrender value at the end of the surrender charge period. The RILA index option, which is an embedded derivative, is required to be measured at fair value. Fair value represents the policyholders' expected participation in future increases in the relevant index and is calculated as the excess cash flows from the indexed crediting feature above the guaranteed cash flows. The excess cash flows are based on the option budget methodology whereby the indexed account is projected to grow by the option budget. A key difference from a standard FIA product is that the RILA policyholder can lose principal on this investment. Therefore, it is possible that the embedded derivative can become negative. An The option budget will be calculated depending on the product type and strategy. The growth in the indexed account will be projected based on the value of the options dependent upon the strategy and associated hedge construction. The fair value of this embedded derivative component includes assumptions, including those about future interest rates and investment yields, future costs for options used to hedge the contract obligations, projected withdrawal and surrender activity, benefit utilization and the level and limits on contract participation in any future increases in the respective index option. The account value liability and embedded derivative are recorded in policy liabilities in the consolidated statements of financial condition, with changes in value of the liabilities recorded in policy benefits and claims in the consolidated statements of operations.

#### Guaranteed benefits Variable annuities

Certain fixed-rate Global Atlantic issues and fixed-indexed assumes variable annuity contracts provide for which the contractholder with guaranteed minimum death benefits ("GMDB") and/or guaranteed minimum withdrawal benefits ("GMWB"). The associated reserves for these benefits are calculated by estimating the present value of total expected (excess) benefit payments over the life of the contract divided by the present value of total expected assessments over the life of the contract, or the "benefit ratio," and multiplying this ratio by the cumulative assessments recorded from the contract inception through the balance sheet date less cumulative benefit payments plus interest on the reserves. The liabilities are included in policy liabilities in the consolidated statements of financial condition. The change in the reserve is included in policy benefits and claims in the consolidated statements of operations.

#### Long-term care benefit riders

Certain fixed-rate contracts provide the policyholder with long-term care benefit riders. The long-term care benefit rider permits access to the policy's account value, along with a supplemental rider benefit value, free of a surrender charge, to reimburse the policyholder for certain qualified long-term care expenses. Depending on the outcome of simplified underwriting, the rider benefit is capped at the return of account value plus one or two times the account value. The benefit rider paid to the policyholder is subject to a monthly maximum such that the benefit is typically paid out over a period of six years or longer. The liabilities for these benefits are calculated by using the benefit ratio multiplied by the cumulative assessments recorded from the contract inception through the balance sheet date less cumulative benefit payments plus interest on the reserves. The change in the reserve is included in policy benefits and claims in the consolidated statements of operations.

#### Variable annuities

Variable annuity contracts offered and assumed by Global Atlantic provide the contractholder with GMDB and/or GMWB. The liabilities for these benefits are included in policy liabilities in the consolidated statements of financial condition. The change in the liabilities for these benefits is included in policy benefits and claims in the consolidated statements of operations.

Global Atlantic issued variable Variable annuity contracts with GMDB features. Global Atlantic elected the fair value option to measure the liability for may have certain of these variable annuity contracts. Fair value is calculated as the present value of the estimated death benefits less the present value of the GMDB fees, using 1,000 risk neutral scenarios. Global Atlantic discounts the cash flows using the U.S. Treasury rates plus an adjustment for own company credit risk.

Global Atlantic also issues variable annuity contracts with a GMWB. The GMWB feature represents an embedded derivative. The embedded derivative is required to be bifurcated and measured at fair value. This liability is calculated as the present value of the excess GMWB claims less the present value of GMWB fees, using 1,000 risk neutral scenarios. Global Atlantic discounts the cash flows using U.S. Treasury rates plus an adjustment for own company credit risk.

#### Notes to Financial Statements (Continued)

### Payout annuities

Payout annuities include single premium immediate annuities, annuitizations of deferred annuities and structured settlements. These contracts subject the insurer to risks over a period guarantees that extends beyond the period or periods in which premiums are collected. These contracts may be either non-life contingent or life contingent. Non-life contingent annuities are accounted for as financial instruments. For life contingent annuities, market risk benefits, which are discussed in more detail below.

### Funding agreements

Global Atlantic records a liability at the present value issues funding agreements to certain unaffiliated special purpose entities that have issued debt securities for which payment of future annuity payments interest and estimated future expenses calculated using expected mortality principal is secured by such funding agreements. Global Atlantic also has similar obligations to Federal Home Loan Banks. Global Atlantic's funding agreements are considered investment type contracts and costs, liabilities are net deposits plus accrued and interest assumptions. Any gross premiums received in excess of the net premium unpaid interest. Global Atlantic's obligation is the DRL and is recognized in income in a constant relationship with the amount of expected future payments. The liabilities for DRL are included reported in policy liabilities in the consolidated statements of financial condition. The change in DRL interest expense is included calculated using the effective interest method and recorded in policy benefits and claims in the consolidated statements of operations.

Also included under payout annuities are liabilities for disability income benefits which pertain primarily to disability income policies that are already in claim payout status. Liabilities for disability income benefits are calculated as the present value of future disability payments and estimated future expenses using expected mortality and costs, and interest assumptions. The liabilities are recorded in policy liabilities in the consolidated statements of financial condition.

### Universal Interest-sensitive life policies products

For universal life policies, the base benefit reserves are deemed to be equal to policy reserve is the policyholder account value.

Policy liabilities for indexed universal life with returns linked to the performance of a specified market index are equal to the sum of two components: (1) the fair value of the embedded derivative; and (2) the host (or guaranteed) component. The fair value of the embedded derivative component is based on the fair value of the policyholders' expected participation in future increases in the relevant index over the life of the contract. The fair value of this embedded derivative component includes assumptions, including those about future interest rates and investment yields, future costs for options used to hedge the contract obligations, projected benefits, benefit utilization and the level and limits on contract participation in any future increases in the respective index option.

The initial host balance is established at the time of premium payment and is equal to the total account value less the embedded derivative component. Thereafter, the balance of the host component is determined in a manner consistent with the accounting for a deposit liability under the "constant effective yield method." All future host balances are determined as: (1) the initial host balance; (2) plus interest; (3) less applicable policyholder benefits. The interest rate used in the prior roll forward is re-determined on each valuation date, per the constant effective yield method.

Global Atlantic holds additional liabilities for universal life products with secondary guarantees, sometimes referred

Notes to as no-lapse guarantees. For these products, the fair value of the embedded derivative is the present value of the best estimate option budget projection minus the guaranteed surrender benefits over the life of the contract. The additional liabilities are measured using the benefit ratio approach where excess benefits are spread over the life of the contract based on assessments collected from the policyholder. Generally, total expected excess benefit payments are the aggregate of death claims after the policyholder account value is exhausted. The exception is when the cost of insurance charges is insufficient to produce consistently positive earnings in the future. In this case, all death benefits are deemed to be excess benefits. Financial Statements (Continued)

### Variable universal life policies

Certain assumed variable universal life policies include several forms of secondary guarantees. Global Atlantic holds additional liabilities for its secondary guarantees as discussed above.

### Preneed policies

Global Atlantic's preneed life insurance contracts are accounted for as universal life-type contracts which require that the retrospective deposit method be used. That accounting method establishes a liability for policyholder benefits in an amount determined by the account or contract balance that accrues to the benefit of the policyholder. This account value is deemed to be equal to the contract's statutory cash surrender value. The majority of Global Atlantic's preneed insurance contracts feature death benefits with a discretionary death benefit growth rate. Global Atlantic has the discretion to adjust these rates up or down. Global Atlantic has established an additional reserve for expected future discretionary benefits which is reflected as policy liabilities in the consolidated statements of financial condition. Global Atlantic has also issued preneed insurance contracts with crediting rates tied to inflation as measured by the U.S. Consumer Price Index.

### Traditional life and limited payment contracts

#### Liability for future policy benefits

A liability for future policy benefits, which is the present value of estimated future policy benefits to be paid to or on behalf of policyholders and certain related expenses less the present value of estimated future net premiums to be collected from policyholders, is accrued as premium revenue is recognized. The liability is estimated using current assumptions that include mortality, lapses, and expenses. These current assumptions are based on judgments that consider Global Atlantic's historical experience, industry data, and other factors.

For nonparticipating traditional and limited-payment contracts, contracts are grouped into cohorts by contract type and issue year. The liability is adjusted for differences between actual and expected experience. With the exception of the expense assumption, Global Atlantic reviews its historical and future cash flow assumptions quarterly and updates the net premium ratio used to calculate the liability each time the assumptions are changed. Global Atlantic has elected to use expense assumptions that are locked in at contract inception and are not subsequently reviewed or updated.

Each quarter, Global Atlantic updates its estimate of cash flows expected over the entire life of a group of contracts using actual historical experience and current future cash flow assumptions. These updated cash flows are discounted using the discount rate or curve on the original contract issue date to calculate the revised net premiums and net premium ratio, which are used to derive an updated liability for future policy benefits. This amount is then compared to the carrying amount of the liability before the updating of cash



flow assumptions to determine the current period change in liability estimate. This current period change in the liability is the liability remeasurement gain or loss and is presented parenthetically as a separate component of benefit expense in the consolidated statements of operations.

For nonparticipating traditional and limited-payment contracts, the discount rate assumption is a spot rate yield curve that is derived based on upper medium grade (low credit risk) fixed-income instruments with similar duration to the liability. Global Atlantic uses one or more external indices of corporate credit issues as its proxy for these instruments. The discount rate assumption is updated quarterly and used to remeasure the liability at the reporting date, with the resulting change in the discount rate reflected in other comprehensive income. For liability cash flows between two market observable points on the yield curve, Global Atlantic interpolates the effective yield by holding the marginal rates constant. For liability cash flows that are projected beyond the last market-observable point on the yield curve, Global Atlantic uses the last market-observable yield level.

#### ***Payout annuities***

Payout annuities include single premium immediate annuities, annuitizations of deferred annuities, pension risk transfer and structured settlements. These contracts subject the insurer to risks over a period that extends beyond the period or periods in which premiums are collected. These contracts may be either non-life contingent or life contingent. Non-life contingent annuities are accounted for as investment contracts. For life contingent annuities, Global Atlantic records a liability at the present value of future annuity payments and estimated future expenses calculated using expected mortality and costs, and expense assumptions. Any gross premiums received in excess of the net premium is the DPL and is recognized separately in income in a constant relationship with the discounted amount of the insurance in-force or expected future benefit payments. These liabilities are recorded in policy liabilities in the consolidated statements of financial condition.

Also included under payout annuities are liabilities for disability income benefits which pertain primarily to disability income policies that are already in claim payout status. Liabilities for disability income benefits are calculated as the present value of future disability payments and estimated future expenses using expected mortality and costs, and interest assumptions. The liabilities are recorded in policy liabilities in the consolidated statements of financial condition.

### **Notes to Financial Statements (Continued)**

#### ***Whole and term life***

Global Atlantic has established liabilities for amounts payable under insurance policies, including whole life insurance and term life insurance policies. These policies provide death benefits in exchange for a guaranteed level premium for a specified period of time and, in the case of whole life, a guaranteed minimum cash surrender value. Generally, liabilities for these policies are calculated as the present value of future expected benefits to be paid, reduced by the present value of future expected net premiums. Principal Current assumptions are used in the establishment of liabilities for future policyholder benefits are including mortality, policy lapse, renewal, investment returns, inflation, expenses and other contingent events as appropriate for the respective product. These assumptions, which include provisions for adverse deviations, are established at the time the policy is issued and are intended to estimate the experience for the period the policyholder benefits are payable. By utilizing these assumptions, liabilities are established on a block-of-business basis. For whole life and term long-duration insurance contracts, assumptions such as mortality, morbidity and interest rates are locked-in upon the issuance of new business. However, significant adverse changes in experience on such contracts may require Each quarter, Global Atlantic updates its estimate of cash flows using actual historical experience and current future cash flow assumptions. These updated cash flows are discounted using the discount rate or curve on the original contract issue date to establish calculate the revised net premiums and net premium deficiency reserves. Premium deficiency reserves ratio, which are established, if necessary, when the used to derive an updated liability for future policyholder benefits plus policy benefits. This amount is then compared to the present value carrying amount of expected future gross premiums are determined the liability before the updating of cash flow assumptions to be insufficient to provide for expected future policyholder benefits determine the current period change in liability estimate. This current period change in the liability is the liability remeasurement gain or loss and expenses. Such reserves are determined based on assumptions at is presented parenthetically as a separate component of benefit expense in the time the premium deficiency reserve is established and do not include a provision for adverse deviation, consolidated statements of operations.

Policy liabilities for participating whole life insurance policies are equal to the aggregate of: (1) net level premium reserves for death and endowment policyholder benefits (calculated based upon the non-forfeiture interest rate, and mortality rated guarantee in calculating the cash surrender values described in such contracts); and (2) the liability for terminal dividends.

#### ***Policy Product guarantees***

##### ***Market risk benefits***

Market risk benefits are contracts or contract features that both provide protection to the policyholder from other-than-nominal capital market risk and expose Global Atlantic to other-than-nominal capital market risk.

Market risk benefits include certain contract features on fixed annuity and variable annuity products. These features include minimum guarantees to policyholders, such as guaranteed minimum death benefits ("GMDBs"), guaranteed minimum withdrawal benefits ("GMWBs"), and long-term care benefits (which are capped at the return of account value plus one or two times the account value). Market risk benefits are measured at fair value using a non-option and option valuation approach based on current net amounts at risk, market data, experience, and other factors. Changes in fair value are recognized in net income each period with the exception of the portion of the change in fair value due to a change in the instrument-specific credit risk, which is recognized in other comprehensive income.

##### ***Additional liability for annuitization, death, or other insurance benefits***

Global Atlantic establishes additional liabilities for non-participating whole life and term life insurance policies are equal contracts or contract features that provide for potential benefits in addition to the account balance but are not market risk benefits or embedded derivatives. These benefits include annuitization benefits and death or other insurance benefits (e.g., universal life secondary guarantees). For these benefits, the liability is the sum of the current benefit ratio multiplied by cumulative assessments and accreted interest, less excess payments.

In particular, Global Atlantic holds additional liabilities for universal life products with secondary guarantees, sometimes referred to as no-lapse guarantees. The additional liabilities are measured using the benefit ratio approach where excess benefits are spread over the life of the contract based on assessments collected from the policyholder. Generally, total expected excess benefit payments are the aggregate of death claims after the policyholder account value is exhausted. The exception is when the cost of insurance charges are insufficient to produce consistently positive earnings in the future. In this case, all death benefits are deemed to be excess benefits. For annuitization benefits, the

benefit ratio is the present value of expected future policyholder benefit annuitization payments and related expenses to be made less the accrued account balance at the expected annuitization date divided by the present value of expected future net premiums. Assumptions as to assessments during the accumulation phase of the contract, discounted at the contract rate. Expected annuitization payments and related incremental claim adjustment expenses, expected assessments, and expected excess payments are calculated using discount rate, mortality, lapse, and persistency expense assumptions.

Global Atlantic recognizes a shadow reserve adjustment for the additional insurance liabilities when unrealized gains and losses are included in the investment margin while calculating the present value of expected assessments for the benefit ratios. Shadow reserve adjustments are recognized in other comprehensive income.

For additional liabilities for death or other insurance benefits, the discount rate assumption is based on the contract rate at inception. The mortality, lapse, and expense assumptions are based upon on Global Atlantic's experience, when industry data, and other factors. Assumptions are reviewed and updated, if necessary, at least annually. When those assumptions are updated, the basis of benefit ratio and the liability is established, and are periodically updated. Interest rate assumptions for remeasured, with the aggregate policy liabilities are calculated based on the portfolio rate, net of investment expenses, resulting gain or loss reflected in total benefits expense.

## Notes to Financial Statements (Continued)

### Outstanding claims

Outstanding claims include amounts payable relating to in course of settlement and incurred but not reported claim liabilities. In course of settlement, claim liabilities are established for policies when Global Atlantic is notified of the death of the policyholder, but the claim has not been paid as of the reporting date. Incurred but not reported claim liabilities are determined using studies of past experience and are estimated using actuarial assumptions of historical claims expense, adjusted for current trends and conditions. These estimates are continually reviewed, and the ultimate liability may vary significantly from the amounts initially recognized, which are reflected in net income in the period in which they are determined. Changes in policyholder and contract claims are recorded in policy benefits and claims in the consolidated statements of operations.

### Closed blocks

Through its insurance companies, Global Atlantic has acquired several closed blocks of participating life insurance policies. Global Atlantic has elected to account for the closed block policy liabilities using the fair value option.

The assets and cash flow generated by the closed blocks inure solely to the benefit of the holders of policies included in the closed blocks. All closed block assets will ultimately be paid out as policyholder benefits and through policyholder dividends. In the event that the closed blocks' assets are insufficient to satisfy meet the benefits of the closed blocks, blocks' benefits, general assets of Global Atlantic would be used to meet the contractual benefits to the closed blocks' policyholders.

The closed block liabilities are measured at fair value, which comprises the fair value of the closed block assets plus the present value of projected expenses including commissions and the cost of capital charges associated with the closed blocks. In calculating the present value, Global Atlantic used a discount rate based on current U.S. Treasury rates, with a risk margin to reflect uncertainties in the closed block liability and a provision for Global Atlantic's nonperformance instrument-specific credit risk.

### Reinsurance

Consistent with the overall business strategy, Global Atlantic assumes certain policy risks written by other insurance companies on a coinsurance, modified coinsurance or funds withheld coinsurance basis. Reinsurance accounting is applied for these ceded and assumed transactions when risk transfer provisions have been met. To meet risk transfer requirements, a long-duration reinsurance contract must transfer mortality or morbidity risks, and subject the reinsurer to a reasonable possibility of a significant loss. Those contracts that do not meet risk transfer requirements are accounted for using deposit accounting.

## Notes Global Atlantic seeks to Financial Statements (Continued)

diversify risk and limits its overall financial exposure through reinsurance.

With respect to ceded reinsurance, Global Atlantic values reinsurance recoverables on reported claims at the time the underlying claim is recognized in accordance with contract terms. For future policyholder benefits, Global Atlantic estimates the amount of reinsurance recoverables based on the terms of the reinsurance contracts and historical reinsurance recovery information. The reinsurance recoverables are based on what Global Atlantic believes are reasonable estimates and the balance is reported as an asset in the consolidated statements of financial condition. However, the ultimate amount of the reinsurance recoverable is not known until all claims are settled.

The cost of reinsurance, which is the difference between the amount paid for a reinsurance contract and the amount of the liabilities for policy benefits relating to the underlying reinsured contracts, is deferred and amortized over the reinsurance contract period for short-duration contracts, or over the terms of the reinsured policies on a basis consistent with the reporting of those policies for long-duration contracts. Generally, Global Atlantic amortizes cost of reinsurance based on policy count or effective yield method, retrospectively calculated based on actual and projected future cash flows. Cost of reinsurance assets and liabilities are reported in insurance intangibles and policy liabilities in the consolidated statements of financial condition, respectively. Reinsurance contracts do not relieve Global Atlantic from its obligations to policyholders, and failure of reinsurers to honor their obligations could result in losses to Global Atlantic; consequently, allowances are established for expected credit losses, via a charge to policy benefits and claims in the consolidated statements of operations. Global Atlantic's funds withheld receivable at interest and reinsurance recoverable assets are reviewed for expected credit losses by considering credit ratings for each reinsurer, historical insurance industry specific default rate factors, rights of offset, expected recovery rates upon default and the impact of other terms specific to the reinsurance arrangement.

## Notes to Financial Statements (Continued)

For funds withheld and modified coinsurance agreements, Global Atlantic has the right to receive or obligation to pay the total return on assets supporting the funds withheld receivable at interest or funds withheld payable at interest. This indirectly exposes Global Atlantic to the credit risk of the underlying assets. As a result, funds withheld coinsurance and modified coinsurance agreements are viewed as total return swaps and treated accounted for as embedded derivatives. Embedded derivatives are required to be separated



from the host contracts and measured at fair value with changes in fair value recognized in net income. Generally, the embedded derivative is measured as the difference between the fair value of the underlying assets and the carrying value of the host contract at the balance sheet date. The fair value of the embedded derivative is included in the funds withheld receivable at interest or the funds withheld payable at interest on the consolidated **balance sheets, statements of financial condition**. Changes in the fair value of the embedded derivative are reported in operating activities on the consolidated statements of cash flows.

#### Recognition of insurance revenue and related benefits

Premiums related to whole life and term life insurance contracts and payout contracts with life contingencies are recognized in premiums in the consolidated statements of operations when due from the contractholders.

Amounts received as payment for universal life and investment-type contracts are reported as deposits to contractholder account balances and recorded in policy liabilities in the consolidated statements of financial condition. Amounts received as payment for Global Atlantic's fixed fund variable annuities are reported as a component of policy liabilities in the consolidated statements of financial condition. Revenues from these contracts consist primarily of fees assessed against the contractholder account balance for mortality, policy administration, separate account administration and surrender charges, and are reported in policy fees in the consolidated statements of operations. Additionally, Global Atlantic earns investment income from the investment of contract deposits in Global Atlantic's insurance companies' general account portfolio, which is reported in net investment income in the consolidated statements of operations.

Fees assessed that represent compensation to Global Atlantic for benefits to be provided in future periods and certain other fees are established as an unearned revenue reserve liability and amortized into revenue over the expected life of the related contracts in proportion to estimated gross profits in a manner consistent with DAC for these contracts. Unearned revenue reserves are reported in policy liabilities in the consolidated statements of financial condition and amortized into policy fees in the consolidated statements of operations. Benefits and expenses for these products include claims in excess of related account balances, expenses for contract administration and interest credited to contractholder account balances in the consolidated statements of operations.

Global Atlantic primarily earns revenues from premiums, policy fees, income from investments, and other administration, management, and distribution fees. For the year ended **December 31, 2022** **December 31, 2023**, Global Atlantic's revenue was sourced in its entirety from the Americas (100%), based on the geographic region of the reporting subsidiary company. Additionally, none of Global Atlantic's customers contributed more than 10% of KKR's total consolidated revenues and predominantly all of Global Atlantic's fixed assets are located in the United States.

#### Notes to Financial Statements (Continued)

##### Other income

Other income is primarily comprised of expense allowances on ceded reinsurance, administration fees, management fees and distribution fees.

##### Insurance expenses

Insurance expenses are primarily comprised of commissions expense, premium taxes, amortization of acquired distribution and trade name intangibles, and other expenses related to insurance products and reinsurance transactions.

##### General, administrative and other expenses

General, administrative and other expenses are primarily comprised of employee compensation and benefit expenses, administrative and professional services and other operating expenses.

##### Equity-based, incentive and other deferred compensation

Global Atlantic has established a long-term incentive plan to foster and promote its long-term financial success. Compensation expense for Global Atlantic's incentive awards is recognized only when vesting is deemed to be probable.

#### Notes to Financial Statements (Continued)

Global Atlantic measures compensation cost for service-based, equity-classified share-based payment awards at fair value as of the grant date and recognizes it in general, administrative and other expenses in the consolidated statements of operations as compensation expense over the requisite service period for awards expected to vest. Global Atlantic recognizes the expense using the straight-line attribution method, with adjustments for estimated forfeitures. For awards with performance-based vesting, expense recognition is deferred until the performance factor occurs or becomes probable.

Global Atlantic measures compensation cost for liability-classified share-based payment awards or other deferred compensation plans using the fair value method, beginning on the grant date, and re-measures the fair value of the awards at each reporting period until the awards are settled. Accrued compensation expense is recognized, net of an estimated forfeiture rate, in general, administrative and other expenses in the consolidated statements of operations and within accrued expenses and other liabilities in the consolidated statements of financial condition.

##### Adoption of new accounting pronouncements

##### The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and related regulatory actions

On March 27, 2020, the CARES Act was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, permits net operating loss ("NOL") carryovers and carrybacks to offset 100% of taxable income for taxable years beginning before 2021. In addition, the CARES Act allows NOLs incurred in 2018, 2019 and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes.

The provisions of the CARES Act, as amended by the Consolidated Appropriations Act, also permit financial institutions to suspend requirements under U.S. GAAP for loan modifications that otherwise would be categorized as troubled debt restructurings ("TDRs") if (1) the borrower was not more than 30 days past due as of December 31, 2019, and (2) the modifications are related to arrangements that defer or delay the payment of principal or interest, or change the interest rate on the loan, provided the modifications are made between March 1, 2020 and the earlier of 60 days after the end of the national emergency related to the COVID-19 pandemic or January 1, 2022. Global Atlantic has applied this guidance before the permitted suspension period expired on January 1, 2022 to loan forbearance requests that meet the requirements. The application of this guidance did not have a material impact on the financial statements.

See Note 8 "Investments" for additional information on loan modifications.

## Notes to Financial Statements (Continued)

### Reference rate reform

In March 2020, the FASB issued new guidance to ease the accounting implications of the transition away from the London Interbank Offering Rate ("LIBOR") and other reference rates, which were discontinued in 2021 (other than for U.S. dollar LIBORs, which have been excluded until June 2023, except for one-week and two-month tenors). The new guidance offers a variety of optional expedients and exceptions related to accounting for contract modifications and hedging relationships. These expedients and exceptions apply only to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. As amended, the new guidance is effective for contract modifications made and hedging relationships existing or entered into from January 1, 2020 through December 31, 2024. In the first quarter 2022, KKR elected to adopt the new guidance and, for the modifications that have occurred to date, the adoption of the guidance has not had a material impact on KKR's consolidated financial statements.

### Future application of accounting standards

#### Targeted improvements to the accounting for long-duration contracts

In August 2018, the FASB issued Effective January 1, 2023, Global Atlantic adopted new accounting guidance for insurance and reinsurance companies that issue long-duration contracts such as life insurance ("LDTI"), with retrospective application to February 1, 2021 ("2021 GA Acquisition Date"), coinciding with the acquisition of Global Atlantic by KKR ("2021 GA Acquisition").

The following table summarizes the balance of, and annuities. The objective of this guidance is to improve, simplify and enhance the financial reporting of long-duration contracts by providing financial statement users with useful information in a timely and transparent manner. The primary changes include:

(1) more timely recognition of assumption changes in, the liability for future policy benefits and use as of a current rate for the discounting of future cash flows – The assumptions used to calculate the liability for future policy benefits on traditional and limited-payment contracts are required to be reviewed and updated periodically (versus set at inception and not changed under the current guidance). Cash flow assumptions are required to be reviewed at least annually with the impact recognized in net income. The guidance also prescribes that the discount rate assumption should be based on a current upper-medium grade (i.e., low credit risk) fixed income instrument yield (e.g., a single A credit-rating) with the impact recognized in other comprehensive income ("OCI").

(2) standardization and improvement in the accounting for certain market-based options or guarantees associated with deposit (or account balance) contracts – The new guidance creates a new category of benefits referred to as market risk benefits, which are contracts or contract features that provide both protection February 1, 2021 due to the policyholder from capital market risk and expose the insurer to other-than-nominal capital market risk. Market risk benefits are required to be measured at fair value with the change in fair value recognized in net income, except for changes in the entity's non-performance risk, which is recognized in OCI. adoption of LDTI.

(3) simplification of the amortization of deferred acquisition costs - DAC and other similar actuarial balances (e.g., deferred sales inducements) for life and annuity contracts are required to be amortized on a constant basis over the term of the related contracts.

| Liability for future policy benefits     | Payout annuities | Other      | Total         |
|------------------------------------------|------------------|------------|---------------|
| Balance, as of February 1, 2021          | \$ 12,785,557    | \$ 592,242 | \$ 13,377,799 |
| Change in discount rate assumptions      | 151,651          | 20,930     | 172,581       |
| Adjusted balance, as of February 1, 2021 | \$ 12,937,208    | \$ 613,172 | \$ 13,550,380 |

(4) enhanced disclosures – Additional disclosures are required including disaggregated roll-forwards of significant insurance liabilities as well as disclosures about significant inputs, judgments, assumptions and methods used in measurement.

The guidance is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted. For changes related increase to the liability for future policy benefits and deferred acquisition costs, as of February 1, 2021, was primarily due to remeasuring the new guidance requires adoption liability using a modified retrospective approach upon transition discount rate based on a spot rate yield curve that is derived based on upper medium grade (low credit risk) fixed-income instruments with an option similar duration to elect a retrospective approach. For the liability.

The following table summarizes the balance of, and changes related to in, the net liability position of market risk benefits (previously recorded as product guarantees included within policy liabilities in the new guidance requires a retrospective approach.

On January 1, 2023, KKR adopted this guidance using the retrospective approach back to the transition date, or January 1, 2021, for the liability for future policy benefits, deferred acquisition costs and market risk benefits. The adoption consolidated statement of this guidance had no impact on retained earnings and accumulated other comprehensive income (loss) financial condition) as of our transition date February 1, 2021 due to the purchase accounting adoption of LDTI.

| Market risk benefits                           | Fixed-indexed annuities | Variable- and other annuities | Total        |
|------------------------------------------------|-------------------------|-------------------------------|--------------|
| Balance, as of February 1, 2021 <sup>(1)</sup> | \$ 895,114              | \$ 325,311                    | \$ 1,220,425 |

|                                                                                           |                     |                   |                     |
|-------------------------------------------------------------------------------------------|---------------------|-------------------|---------------------|
| Adjustment for the difference between prior carrying amount and market risk benefit value | 282,354             | 87,733            | 370,087             |
| <b>Adjusted balance, as of February 1, 2021</b>                                           | <b>\$ 1,177,468</b> | <b>\$ 413,044</b> | <b>\$ 1,590,512</b> |

- (1) The \$1,220.4 million balance associated with KKR's acquisition market risk benefits prior to transition was previously recorded as product guarantees either as an embedded derivative in contractholder deposits of \$236.0 million, or as an additional liability for insurance benefits of \$984.4 million under policy liabilities extinguished at transition, and remeasured as market risk benefits.

The transition approach for market risk benefits requires assessing products to determine whether contracts or contract features expose Global Atlantic on to other than nominal capital market risk. The balance at February 1, 2021, However, net VOBA is expected reflects the population of market risk benefits identified. The increase to increase by \$420 million to \$520 million, offset by adjustments to insurance liabilities due to low market interest rates at the transition date, which resulted in a higher valuation carrying value of the market risk benefit liability and liability for future policy benefits.

Under the new insurance accounting standard, the estimated impact to shareholders' equity as of December 31, 2021 is an increase February 1, 2021, reflects the required adjustment to remeasure the liability at fair value using current net amounts at risk, market data, experience, and other factors. The change primarily reflects the impact of between \$60 million discount rates and \$160 million, which was driven by higher market interest rates causing market instrument-specific credit risk benefits and liability for future policy benefits to decrease. This reflects an increase to accumulated other comprehensive income of between \$(10) million and \$40 million and an increase to retained earnings of between \$70 million and \$120 million.

KKR expects the adoption to increase shareholders' equity, accumulated other comprehensive income and retained earnings as of and for the year ended December 31, 2022, due to higher market interest rates, partially offset by lower equity markets, transition date.

## Notes to Financial Statements (Continued)

The following table summarizes the balance of, and changes in, reinsurance recoverable as of February 1, 2021 due to the adoption of LDTI.

| Reinsurance recoverable                                             | Fixed indexed annuities | Payout annuities    | Other               | Total                |
|---------------------------------------------------------------------|-------------------------|---------------------|---------------------|----------------------|
| Balance, as of February 1, 2021                                     | \$ 4,487,850            | \$ 7,100,198        | \$ 4,164,982        | \$ 15,753,030        |
| Change in discount rate assumptions                                 | —                       | 75,708              | —                   | 75,708               |
| <b>Adjusted balance, as of February 1, 2021, net of reinsurance</b> | <b>\$ 4,487,850</b>     | <b>\$ 7,175,906</b> | <b>\$ 4,164,982</b> | <b>\$ 15,828,738</b> |

The following table summarizes the balance of, and changes in, value of business acquired, net as of February 1, 2021 due to the adoption of LDTI.

| VOBA                                                                                                                       | Fixed indexed annuities | Fixed-rate annuities | Payout annuities  | Interest-sensitive life | Variable annuities | Other       | Total               |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------|----------------------|-------------------|-------------------------|--------------------|-------------|---------------------|
| Balance, as of February 1, 2021                                                                                            | \$ 474,165              | \$ 56,563            | \$ —              | \$ 307,216              | \$ 186,576         | \$ —        | \$ 1,024,520        |
| Adjustment to reflect transition impact to balance established as part of purchase accounting upon the 2021 GA Acquisition | 282,354                 | —                    | 101,338           | 692                     | 108,411            | —           | 492,795             |
| <b>Adjusted balance, as of February 1, 2021</b>                                                                            | <b>\$ 756,519</b>       | <b>\$ 56,563</b>     | <b>\$ 101,338</b> | <b>\$ 307,908</b>       | <b>\$ 294,987</b>  | <b>\$ —</b> | <b>\$ 1,517,315</b> |

The following table summarizes the balance of, and changes in, negative value of business acquired, net as of February 1, 2021 due to the adoption of LDTI.

| Negative VOBA                                                                                                              | Fixed indexed annuities | Fixed-rate annuities | Payout annuities | Interest-sensitive life | Variable annuities | Other             | Total               |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------|----------------------|------------------|-------------------------|--------------------|-------------------|---------------------|
| Balance, as of February 1, 2021                                                                                            | \$ 222,135              | \$ 180,769           | \$ —             | \$ 549,983              | \$ 119,122         | \$ 201,405        | \$ 1,273,414        |
| Adjustment to reflect transition impact to balance established as part of purchase accounting upon the 2021 GA Acquisition | —                       | —                    | 25,395           | 755                     | —                  | (315)             | 25,835              |
| <b>Adjusted balance, as of February 1, 2021</b>                                                                            | <b>\$ 222,135</b>       | <b>\$ 180,769</b>    | <b>\$ 25,395</b> | <b>\$ 550,738</b>       | <b>\$ 119,122</b>  | <b>\$ 201,090</b> | <b>\$ 1,299,249</b> |

As a result of the 2021 GA Acquisition, Global Atlantic established a new guidance is expected accounting basis to increase volatility in our financial statements primarily because certain policy liabilities will be remeasured each quarter, either at reflect the fair value or using current market of assets and liabilities on the 2021 GA Acquisition Date, including resetting retained earnings, deferred acquisition costs and accumulated other comprehensive income to zero. As a result of the transition coinciding with the acquisition by KKR, the transition impact of the adoption was recorded as a change to the present value of future profits reflected in the value of business acquired insurance intangible asset recognized as part of purchase accounting.

The following table presents the effect of transition adjustments on the value of business acquired assets and liabilities due to the adoption of LDTI.

|                                      | February 1, 2021  |                    |
|--------------------------------------|-------------------|--------------------|
|                                      | VOBA              | Negative VOBA      |
| Reinsurance recoverable              | \$ (75,708)       | \$ —               |
| Liability for future policy benefits | 198,416           | (25,835)           |
| Market risk benefits                 | 370,087           | —                  |
| <b>Total transition adjustments</b>  | <b>\$ 492,795</b> | <b>\$ (25,835)</b> |

### Notes to Financial Statements (Continued)

As a result of the retrospective application of the LDTI adoption, KKR adjusted certain previously reported amounts in its consolidated statements of financial condition, consolidated statements of operations, consolidated statements of comprehensive income, and consolidated statements of cash flows, as follows:

| Consolidated statement of financial condition as of December 31, 2022 | As previously reported | Adjustment     | As revised    |
|-----------------------------------------------------------------------|------------------------|----------------|---------------|
| Reinsurance recoverable                                               | \$ 27,919,591          | \$ (1,897,510) | \$ 26,022,081 |
| Insurance intangible assets                                           | 1,722,681              | 608,813        | 2,331,494     |
| Other assets                                                          | 6,483,187              | (441,858)      | 6,041,329     |
| Total assets                                                          | 277,077,191            | (1,730,555)    | 275,346,636   |
| Policy liabilities                                                    | 141,223,287            | (3,442,358)    | 137,780,929   |
| Accrued expenses and other liabilities                                | 4,600,377              | (2)            | 4,600,375     |
| Total liabilities                                                     | 223,418,306            | (3,442,360)    | 219,975,946   |
| Additional paid-in capital                                            | 16,190,407             | 93,650         | 16,284,057    |
| Retained earnings                                                     | 6,315,711              | 385,396        | 6,701,107     |
| Accumulated other comprehensive income (loss)                         | (5,901,701)            | 599,901        | (5,301,800)   |
| Noncontrolling interests                                              | 35,778,000             | 632,858        | 36,410,858    |
| Total equity                                                          | 53,506,820             | 1,711,805      | 55,218,625    |

The cumulative impact of the retrospective application of the LDTI adoption increased net income attributable to shareholders by \$319.5 million and \$65.9 million for each of the periods ended December 31, 2022 and 2021, respectively (\$385.4 million cumulatively), and increased other comprehensive income by \$589.6 million and \$10.3 million for each of the periods ended December 31, 2022 and 2021, respectively (\$599.9 million cumulatively). These increases were primarily as a result of an increase in discount rates with changes recorded in either net income or other comprehensive income. In addition, and Global Atlantic's instrument-specific credit risk during each of the new guidance is expected respective periods.

| Consolidated statement of operations for the year ended December 31, 2022 | As previously reported | Adjustment  | As revised   |
|---------------------------------------------------------------------------|------------------------|-------------|--------------|
| Policy fees                                                               | \$ 1,278,736           | \$ (17,015) | \$ 1,261,721 |
| Net policy benefits and claims <sup>(1)</sup>                             | 3,184,427              | (826,189)   | 2,358,238    |
| Amortization of policy acquisition costs                                  | 10,990                 | 44,359      | 55,349       |
| Insurance expenses                                                        | 565,304                | (2,719)     | 562,585      |
| General, administrative and other                                         | 718,422                | 555         | 718,977      |
| Income tax expense (benefit)                                              | (35,672)               | 161,065     | 125,393      |
| Net Income (Loss)                                                         | (1,023,528)            | 605,914     | (417,614)    |
| Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders      | (910,130)              | 319,466     | (590,664)    |
| Net Income (Loss) Attributable to KKR & Co. Inc.                          |                        |             |              |
| Per Share of Common Stock – Basic                                         | (1.21)                 | 0.42        | (0.79)       |
| Net Income (Loss) Attributable to KKR & Co. Inc.                          |                        |             |              |
| Per Share of Common Stock – Diluted                                       | (1.21)                 | 0.42        | (0.79)       |

(1) Includes adjustment for market risk benefit gain for the year ended December 31, 2022 of \$(673.4) million.

| Consolidated statement of operations for the year ended December 31, 2021 | As previously reported | Adjustment  | As revised   |
|---------------------------------------------------------------------------|------------------------|-------------|--------------|
| Policy fees                                                               | \$ 1,147,913           | \$ (10,108) | \$ 1,137,805 |
| Net policy benefits and claims <sup>(1)</sup>                             | 5,055,709              | (238,830)   | 4,816,879    |
| Amortization of policy acquisition costs                                  | (65,949)               | 30,572      | (35,377)     |
| Income tax expense (benefit)                                              | 1,353,270              | 41,612      | 1,394,882    |
| Net Income (Loss)                                                         | 12,295,179             | 156,538     | 12,451,717   |

|                                                                      |           |        |           |
|----------------------------------------------------------------------|-----------|--------|-----------|
| Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders | 4,560,829 | 65,930 | 4,626,759 |
| Net Income (Loss) Attributable to KKR & Co. Inc.                     |           |        |           |
| Per Share of Common Stock – Basic                                    | 7.83      | 0.12   | 7.95      |
| Net Income (Loss) Attributable to KKR & Co. Inc.                     |           |        |           |
| Per Share of Common Stock – Diluted                                  | 7.31      | 0.11   | 7.42      |

(1) Includes adjustment for market risk benefit gain for the year ended December 31, 2021 of \$(152.4) million.

#### Notes to have a significant impact on KKR's systems, processes and controls. Financial Statements (Continued)

| Consolidated statement of comprehensive loss for the year ended December 31, 2022                 | As previously reported | Adjustment   | As revised     |
|---------------------------------------------------------------------------------------------------|------------------------|--------------|----------------|
| Unrealized Gains (Losses) on Available-For-Sale Securities and Other                              | \$ (8,777,181)         | \$ (458,534) | \$ (9,235,715) |
| Net effect of changes in discount rates and instrument-specific credit risk on policy liabilities | —                      | 1,383,193    | 1,383,193      |
| Comprehensive Income (Loss)                                                                       | (9,803,382)            | 1,530,573    | (8,272,809)    |
| Comprehensive Income (Loss) Attributable to KKR & Co. Inc.                                        | (5,191,511)            | 734,459      | (4,457,052)    |

| Consolidated statement of comprehensive income for the year ended December 31, 2021               | As previously reported | Adjustment  | As revised   |
|---------------------------------------------------------------------------------------------------|------------------------|-------------|--------------|
| Unrealized Gains (Losses) on Available-For-Sale Securities and Other                              | \$ (387,338)           | \$ (63,293) | \$ (450,631) |
| Net effect of changes in discount rates and instrument-specific credit risk on policy liabilities | —                      | 88,759      | 88,759       |
| Comprehensive Income (Loss)                                                                       | 11,868,320             | 182,004     | 12,050,324   |
| Comprehensive Income (Loss) Attributable to KKR & Co. Inc.                                        | 4,483,018              | 76,271      | 4,559,289    |

| Consolidated statement of cash flow for the year ended December 31, 2022 | As previously reported | Adjustment   | As revised  |
|--------------------------------------------------------------------------|------------------------|--------------|-------------|
| Net realized (gains) losses on insurance operations                      | \$ 1,035,879           | \$ (673,399) | \$ 362,480  |
| Other non-cash amounts                                                   | 77,780                 | 48,154       | 125,934     |
| Change in policy liabilities and accruals, net                           | (160,765)              | (139,567)    | (300,332)   |
| Change in other assets                                                   | 874,463                | 161,066      | 1,035,529   |
| Change in accrued expenses and other liabilities                         | (3,122,805)            | (2,168)      | (3,124,973) |

| Consolidated statement of cash flow for the year ended December 31, 2021             | As previously reported | Adjustment   | As revised  |
|--------------------------------------------------------------------------------------|------------------------|--------------|-------------|
| Net realized (gains) losses on insurance operations                                  | \$ 860,165             | \$ (153,985) | \$ 706,180  |
| Other non-cash amounts                                                               | (102,871)              | 42,553       | (60,318)    |
| Change in Premiums, Notes Receivable and Reinsurance Recoverable, Net of Reinsurance |                        |              |             |
| Premiums Payable - Insurance                                                         | 685,802                | (5)          | 685,797     |
| Change in Deferred Policy Acquisition Costs - Insurance                              | (412,671)              | 1,608        | (411,063)   |
| Change in policy liabilities and accruals, net                                       | (1,166,726)            | (86,824)     | (1,253,550) |
| Change in other assets                                                               | 465,288                | 41,743       | 507,031     |
| Change in accrued expenses and other liabilities                                     | 2,143,039              | (1,628)      | 2,141,411   |

#### Troubled debt restructurings and vintage disclosures

In March 2022, the FASB issued new guidance regarding the modification of receivables, which affects their recognition and measurement. The guidance eliminates the concept of troubled debt restructurings and instead requires all modifications to be analyzed to determine whether they result in a new receivable or a continuation of an existing receivable. The guidance also makes related updates to the measurement of expected credit losses for receivables. The new guidance requires additional disclosures for receivable modifications involving borrowers experiencing financial difficulty as well as disclosure of loan charge-offs by origination year or vintage (vintage). For entities that have already adopted ASC 326 (addressing credit losses on financial instruments), the guidance is effective for fiscal years beginning after December 15, 2022, including interim period periods within those fiscal years. KKR adopted this accounting standard effective January 1, 2023. Refer to Note 7 "Investments—Loan modifications" for additional information.

#### Future application of accounting standards

##### Fair value measurement of equity security subject to contractual sale restriction

In June 2022, the FASB issued Accounting Standard Update ("ASU") 2022-03, ASC Subtopic 820 "Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions." According to ASU 2022-03, the reporting company should not consider contractual sale restrictions when measuring the equity security's fair value and is not allowed to recognize a contractual sale restriction as a separate unit of account. ASU 2022-03 is effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. Early adoption is permitted, permitted for both interim and annual financial statements that have not yet been issued or made available for issuance. The adoption of this accounting standard is not expected to have a material impact on the Company's KKR's consolidated financial statements.

## Notes to Financial Statements (Continued)

### Accounting for Investments in Tax Credit Structures

In March 2023, the FASB issued ASU 2023-02 "Investments - Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method." ("ASU 2023-02"). ASU 2023-02 intends to expand the population of investments in tax credit structures that may be eligible to apply the proportional amortization method ("PAM"), if certain criteria are met. The election to use the PAM can be made on a tax credit program-by-program basis. Under the new guidance, certain disclosures are required for investments in tax credit programs for which the PAM is elected. The guidance is effective for fiscal years beginning after December 15, 2023, with early adoption permitted. The adoption is not expected to have a material impact on KKR's consolidated financial statements.

### Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued ASU 2023-07 "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"). ASU 2023-07 intends to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. This is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. KKR is currently evaluating the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

### Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09 "Improvements to Income Tax Disclosures" ("ASU 2023-09"). ASU 2023-09 intends to enhance the transparency and decision usefulness of income tax disclosures, requiring disaggregated information about an entity's effective tax rate reconciliation as well as income taxes paid. This is effective for fiscal years beginning after December 15, 2024. KKR is currently evaluating the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

## Notes to Financial Statements (Continued)

### 3. ACQUISITIONS

#### Acquisition of Mitsubishi Corp-UBS Realty Inc.

On March 17, 2022, KKR entered into an agreement to acquire all of the outstanding shares of Mitsubishi Corp.-UBS Realty Inc. ("MC-UBSR") from Mitsubishi Corporation and UBS Asset Management in an all-cash transaction valued at ¥227 billion (which was approximately \$1.7 billion at such time) (the "KJRM Acquisition"). On April 28, 2022, KKR completed the acquisition of MC-UBSR, which changed its name to KJR Management ("KJRM"). KJRM is a real estate asset manager in Japan that manages two Tokyo Stock Exchange-listed real estate investment trusts ("REITs"): Japan Metropolitan Fund Investment Corporation, which is primarily focused on retail, offices, hotels and other assets located in urban areas in Japan, and Industrial & Infrastructure Fund Investment Corporation, which is primarily focused on industrial and infrastructure properties in Japan. The KJRM Acquisition was accounted for as a business combination under FASB Accounting Standards Codification Topic 805, Business Combinations ("Topic 805").

KKR plans to continue the existing strategy and business of KJRM. The acquisition is expected to enhance KJRM's leading real estate asset management business with potential opportunities for organic and inorganic growth and scale in Japan.

In connection with the acquisition, KKR allocated an amount of \$1,733 million to the fair value of KJRM's investment management contracts and recognized approximately \$530 million of deferred tax liabilities resulting from the difference in book and tax basis of such intangible assets as of the acquisition date. Intangibles are based upon third-party valuations using the excess earnings method, which derives value based on the present value of the cash flow attributable to the investment management contracts, less returns for contributory assets. The significant assumptions used in the valuation of the intangible assets acquired are unobservable and include (i) the asset's estimated useful life, (ii) the projected assets under management, (iii) the projected revenue growth rates, and (iv) the discount rate.

KJRM's investment management contracts were determined to have indefinite useful lives at the time of the KJRM Acquisition and are not subject to amortization. The assignment of indefinite lives to such investment management contracts is primarily based upon (i) the assumption that there is no foreseeable limit on the contract period to manage KJRM's listed REITs; (ii) KKR expects to have the ability to continue to operate these products indefinitely; (iii) the products have multiple investors and are not reliant on a single investor or small group of investors for their continued operation; (iv) current competitive factors and economic conditions do not indicate a finite life; and (v) there is a high likelihood of continued renewal based on historical experience.

The carrying value of goodwill associated with the KJRM Acquisition was \$509 million as of the acquisition date and is entirely allocated to the asset management segment. The goodwill is attributable primarily to the assembled workforce of KJRM and expected synergies. The goodwill recorded is not expected to be deductible for tax purposes.

Pursuant to Topic 805, the financial statements will not be retrospectively adjusted for any changes to the provisional values of assets acquired and liabilities assumed that occur in subsequent periods. KKR finalized the purchase price allocation in December 2022. No measurement period adjustments to reflect new information obtained about facts and circumstances that existed as of the acquisition date were recorded.

Revenues and earnings for year ended December 31, 2022 attributable to KJRM after the completion of the KJRM Acquisition were determined to be immaterial. Pro forma results of operations would not be materially different as a result of the acquisition and therefore are not presented.

## Notes to Financial Statements (Continued)

#### Acquisition of Global Atlantic

On July 7, 2020, indirect subsidiaries of KKR & Co. Inc., namely Magnolia Parent LLC and Magnolia Merger Sub Limited, entered into an Agreement and Plan of Merger (the "GA Merger Agreement") with GAFG, Global Atlantic Financial Life Limited ("GAFL"), LAMC LP, and Goldman Sachs & Co. LLC, solely in its capacity as the Equity Representative (as defined in the GA Merger Agreement). Pursuant to the GA Merger Agreement, at the closing of the GA Acquisition, among other things, GAFG continued as the surviving entity in its merger with Magnolia Merger Sub Limited and became a direct subsidiary of Magnolia Parent LLC, which subsequently changed its name to The Global Atlantic Financial Group LLC.

On February 1, 2021, the GA Acquisition was completed, and KKR acquired all of the voting interests in Global Atlantic and an economic ownership of 61.1% of Global Atlantic prior to certain post-closing purchase price adjustments discussed below and after taking into account GA Rollover Investors' and GA Co-Investors' (each as defined below) equity ownership of Global Atlantic. In addition to entering into the retirement and life insurance business through KKR's indirect ownership of Global Atlantic's insurance companies, KKR's flagship investment management company became the investment adviser for Global Atlantic's insurance companies, which increases KKR's presence in the insurance community. Furthermore, the transaction allows Global Atlantic to gain access to KKR's origination and asset management capabilities.

Under the GA Merger Agreement, KKR agreed to pay former shareholders of GAFG an amount in cash equal to 1.0x U.S. GAAP Shareholders' Equity of GAFG, excluding Accumulated Other Comprehensive Income and subject to certain other purchase price adjustments ("GA Book Value," determined as \$4.7 billion as of February 1, 2021 for purposes of the purchase price determination). The amount of consideration payable by KKR was reduced by the amount of equity rolled over by certain former shareholders of GAFG who elected to continue their equity ownership in Global Atlantic at closing ("GA Rollover Investors"). In addition, KKR syndicated equity interests in Global Atlantic to minority co-investors ("GA Co-Investors"), which also had the effect of reducing the amount of consideration payable by KKR at closing. The purchase price is as follows (in thousands)

|                                           |    |           |
|-------------------------------------------|----|-----------|
| Cash consideration paid by KKR            | \$ | 2,914,455 |
| GA Co-Investors and GA Rollover Investors |    | 1,824,239 |
| Total Purchase Price                      | \$ | 4,738,694 |

The purchase price paid at closing was subject to certain post-closing adjustments, which were finalized in June 2021, and KKR and certain GA Co-Investors paid incremental amounts of \$55 million and \$3 million, respectively (\$58 million in total). As a result of the post-closing adjustments, KKR's economic ownership of Global Atlantic increased from 61.1% at closing to 61.5%. In December 2022, KKR increased its ownership percentage in Global Atlantic to 63.3% as result of equity capital raised by Global Atlantic (see Note 23 "Equity" for further information).

The GA Acquisition was accounted for as a business combination under Topic 805. Goodwill of \$497.1 million has been recorded based on the amount that the purchase price exceeds the fair value of the net assets acquired less the amounts attributable to noncontrolling interests. Goodwill is primarily attributable to the scale, skill sets, operations, and synergies that can be achieved subsequent to the GA Acquisition. The goodwill recorded is not expected to be deductible for tax purposes and it has been allocated to the insurance segment.

#### Notes to Financial Statements (Continued)

The following table summarizes the fair value amounts recognized for the assets acquired and liabilities assumed and resulting goodwill as of the GA Acquisition Date:



February 1, 2021

(\$ in thousands)

**Consideration Transferred**

|                                                         |           |                  |
|---------------------------------------------------------|-----------|------------------|
| Cash Consideration paid by KKR                          | \$        | 2,914,455        |
| GA Co-Investors                                         |           | 978,296          |
| GA Rollover Investors                                   |           | 845,943          |
| Settlement of pre-existing relationships <sup>(1)</sup> |           | (60,200)         |
| <b>Total Consideration Transferred<sup>(2)</sup></b>    | <b>\$</b> | <b>4,678,494</b> |

**Recognized Amounts of Identifiable Assets Acquired and Liabilities Assumed:**

|                                                    |           |                  |
|----------------------------------------------------|-----------|------------------|
| Cash, Cash Equivalents and Restricted Cash         | \$        | 3,358,772        |
| Investments                                        |           | 99,544,755       |
| Reinsurance Recoverable                            |           | 15,753,030       |
| Insurance Intangible Assets                        |           | 1,024,520        |
| Other Assets <sup>(3)</sup>                        |           | 3,325,652        |
| Separate Account Assets                            |           | 5,371,060        |
| Policy Liabilities                                 |           | (100,374,765)    |
| Debt Obligations                                   |           | (1,450,920)      |
| Funds Withheld Payable at Interest                 |           | (13,800,969)     |
| Accrued Expenses and Other Liabilities             |           | (2,735,811)      |
| Reinsurance Liabilities                            |           | (180,573)        |
| Separate Account Liabilities                       |           | (5,371,060)      |
| <b>Total Identifiable Net Assets</b>               |           | <b>4,463,691</b> |
| Redeemable Noncontrolling interests <sup>(4)</sup> |           | (91,845)         |
| Other Noncontrolling interests <sup>(4)</sup>      |           | (190,405)        |
| <b>Goodwill</b>                                    | <b>\$</b> | <b>497,053</b>   |

(1) Represents KKR debt obligations held by Global Atlantic at the GA Acquisition Date.

(2) At the GA Acquisition Date, the transaction was funded with a combination of (i) cash on hand by KKR, (ii) cash proceeds from syndication of the equity interests in Global Atlantic to minority co-investors and equity rolled over from certain former Global Atlantic shareholders. The equity held by GA co-investors and rollover investors are presented as noncontrolling interests in the financial statements. Acquisition of Global Atlantic, Net of Cash Acquired in the consolidated statements of cash flows represents the Total Consideration Transferred (excluding GA Rollover Investors) net of acquired Cash and Cash Equivalents and Restricted Cash and Cash Equivalents.

(3) Includes \$1.0 billion of deferred tax assets recognized from the step-up in basis under purchase accounting.

(4) Represents the fair value of Noncontrolling Interests in consolidated renewable energy entities held by Global Atlantic on the GA Acquisition Date. Such interests do not represent ownership interests held by GA Rollover Investors or GA Co-Investors in Global Atlantic's equity.

**Measurement Period Adjustments**

KKR finalized the valuation of the acquired assets and assumed liabilities in December 2021. During the second quarter of 2021, KKR recognized measurement period adjustments to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The measurement period adjustments also reflected the increase in the total consideration transferred of \$58 million as a result of final purchase price adjustments. Measurement period adjustments consist primarily of a \$50 million increase in the value of distribution agreements acquired, a \$63 million increase in policy liabilities, a \$25 million increase in investments, and a \$46 million increase in goodwill. The related impact to net income that would have been recognized in previous periods if the adjustments were recognized as of the GA Acquisition Date was not material to the consolidated financial statements.

KKR performed a valuation of the acquired investments, policy liabilities, VOBA, other identifiable intangibles, and funds withheld at interest payables and receivables. The following is a summary of significant inputs to the valuation:

**Notes to Financial Statements (Continued)****Investments**

Global Atlantic's investment portfolio primarily consists of fixed maturity securities, mortgage and other loan receivables, equity securities, and investments in real assets such as renewable energy and transportation assets. All of the assets included within the investment portfolio were measured and reported at their fair values on the GA Acquisition Date.

consistent with the valuation methodologies discussed in Note 2 "Summary of Significant Accounting Policies". As a result, the cost basis of each respective investment was reset to equal fair value on the GA Acquisition Date.

#### Policy liabilities

Policy liabilities were remeasured based on generally accepted actuarial methods and reported at their fair values on the GA Acquisition Date. Assumptions for future mortality, persistency, policyholder behavior, expenses, investment return and other actuarial factors were based on an evaluation of Global Atlantic's recent experience, industry experience, and anticipated future trends. These assumptions are intended to be representative of market assumptions used by buyers and sellers in similar transactions. The approach employed to develop these projection assumptions is described below:

- Discount rates used to calculate fair value ranged from 11% to 15%, depending on product;
- Mortality and persistency assumptions are based on both Global Atlantic and general industry experience;
- Expenses were projected reflecting Global Atlantic's unit expenses with an allocation of a portion of overhead expenses to in-force business;
- Future investment income reflects a runoff of the existing asset portfolios and reinvestment strategies based on Global Atlantic's assumptions for asset yield, quality, and maturity. The projections are based on forward interest rates implied by the Treasury yield curve. Credit rates reflect Global Atlantic's target spreads;
- Separate account and index account growth rates are based on long-term return expectations for different fund types and on the underlying mix of funds; and
- Statutory reserves underlying the valuation reflect Global Atlantic's current reserving methodologies.

#### Value of business acquired

VOBA represents the estimated fair value of future net cash flows from in-force life and annuity insurance contracts acquired at the GA Acquisition Date.

#### Other identifiable intangible assets

Other identifiable intangible assets represent distribution relationships, trade names and state insurance licenses. The distribution relationships were valued using the excess earnings method, which derives value based on the present value of the cash flow attributable to the distribution relationships, less returns for contributory assets. The trade name intangible asset represents the Global Atlantic trade name, and was valued using the relief-from-royalty method giving consideration to publicly available third-party trade name royalty rates as well as expected premiums generated by the use of the trade name over its anticipated life. The state insurance licenses represent Global Atlantic's jurisdictional insurance licenses, which include 52 insurance licenses, encompassing all 50 U.S. states, the District of Columbia, and the U.S. Virgin Islands. They were protected through registration and were valued using the market approach based on third-party market transactions from which the prices paid for state insurance licenses could be derived.

#### Funds withheld at interest receivables and payables

Funds withheld at interest receivables and payables were remeasured at fair value based on the fair value of assets held in the underlying portfolios supporting those receivables or payables.

### Notes to Financial Statements (Continued)

The fair value and weighted average estimated useful lives of Value of Business Acquired and Other Identifiable Intangible Assets acquired in the GA Acquisition consist of the following (dollars in thousands):

|                                                                                  | Fair Value          | Average Useful Life |
|----------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                  | (\$ in thousands)   | (in years)          |
| VOBA (included within Insurance Intangible Assets)                               | \$ 1,024,520        | 28.6                |
| Negative VOBA (included within Policy Liabilities)                               | (1,273,414)         | 22.2                |
| <b>Total VOBA</b>                                                                | <b>\$ (248,894)</b> |                     |
| Value of Distribution Agreements Acquired                                        | \$ 250,000          | 16 to 21            |
| Trade Names                                                                      | 50,000              | 15 to 18            |
| State Insurance Licenses                                                         | 10,000              | Indefinite          |
| <b>Total Identifiable Other Intangible Assets (included within Other Assets)</b> | <b>\$ 310,000</b>   |                     |

As of the GA Acquisition Date, Global Atlantic's financial results are reflected in these financial statements. Global Atlantic's revenues of \$6.5 billion and net income before allocation to noncontrolling interest holders of \$406.4 million are included in the consolidated statement of operations for the year ended December 31, 2021.

#### Pro- Forma Financial Information

Pro-forma financial information for the year ended December 31, 2021 and December 31, 2020 is presented below. Pro-forma financial information presented does not include adjustments to reflect any potential revenue synergies or cost savings that may be achievable in connection with the GA Acquisition and assume the GA Acquisition occurred as of January 1, 2020. The pro forma financial information is presented for informational purposes only, and is not necessarily indicative of future operations or results had the GA Acquisition been completed as of January 1, 2020.

|                                                               | Year ended December 31, |               |
|---------------------------------------------------------------|-------------------------|---------------|
|                                                               | 2021                    | 2020          |
| Total Revenues                                                | \$ 16,750,326           | \$ 10,877,373 |
| Net Income Attributable to KKR & Co. Inc. Common Stockholders | \$ 4,654,690            | \$ 2,125,464  |

Amounts above reflect certain pro forma adjustments that were directly attributable to the GA Acquisition. These adjustments include the following:

- adjustment to reflect the elimination of historical amortization of Global Atlantic's intangibles and the additional amortization of intangibles measured at fair value as of the GA Acquisition Date;
- adjustment to reflect the prospective reclassification from accumulated other comprehensive earnings of the unrealized gains on available-for-sale securities to a premium which will be amortized into income based on the expected life of the investment securities;
- adjustments to reflect the KKR pro-rata economic ownership as well as financing consummated by KKR to complete the acquisition; and
- adjustments to reflect the adoption of ASC 326 "Financial Instruments - Credit Losses" in 2020 by Global Atlantic.

#### Notes to Financial Statements (Continued)

#### 4. REVENUES - ASSET MANAGEMENT

For the years ended December 31, 2022, December 31, 2023, 2021, 2022, and 2020, 2021, respectively, Asset Management revenues consisted of the following:

|                                                     |                                                     | Years Ended December 31, |                     |                     | Years Ended December 31, |      |      |
|-----------------------------------------------------|-----------------------------------------------------|--------------------------|---------------------|---------------------|--------------------------|------|------|
|                                                     |                                                     | 2022                     | 2021                | 2020                | 2023                     | 2022 | 2021 |
| Management Fees                                     | Management Fees                                     | \$ 1,682,466             | \$ 1,301,975        | \$ 965,664          |                          |      |      |
| Fee Credits                                         | Fee Credits                                         | (532,355)                | (464,594)           | (299,415)           |                          |      |      |
| Transaction Fees                                    | Transaction Fees                                    | 1,316,637                | 1,552,621           | 950,205             |                          |      |      |
| Monitoring Fees                                     | Monitoring Fees                                     | 131,750                  | 134,472             | 127,907             |                          |      |      |
| Incentive Fees                                      | Incentive Fees                                      | 33,537                   | 55,701              | 10,404              |                          |      |      |
| Expense                                             | Expense                                             |                          |                     |                     |                          |      |      |
| Reimbursements                                      | Reimbursements                                      | 102,927                  | 178,572             | 149,522             |                          |      |      |
| Oil and Gas Revenue                                 |                                                     | —                        | —                   | 21,054              |                          |      |      |
| Consulting Fees                                     |                                                     |                          |                     |                     |                          |      |      |
| Consulting Fees                                     |                                                     |                          |                     |                     |                          |      |      |
| Consulting Fees                                     | Consulting Fees                                     | 86,665                   | 91,407              | 81,450              |                          |      |      |
| <b>Total Fees and Other</b>                         | <b>Total Fees and Other</b>                         | <b>2,821,627</b>         | <b>2,850,154</b>    | <b>2,006,791</b>    |                          |      |      |
| Carried Interest                                    |                                                     |                          |                     |                     |                          |      |      |
| Carried Interest                                    |                                                     |                          |                     |                     |                          |      |      |
| Carried Interest                                    | Carried Interest                                    | (2,068,662)              | 5,388,354           | 1,719,527           |                          |      |      |
| General Partner                                     | General Partner                                     |                          |                     |                     |                          |      |      |
| Capital Interest                                    | Capital Interest                                    | (431,847)                | 1,454,060           | 504,573             |                          |      |      |
| <b>Total Capital Allocation-Based Income (Loss)</b> | <b>Total Capital Allocation-Based Income (Loss)</b> | <b>(2,500,509)</b>       | <b>6,842,414</b>    | <b>2,224,100</b>    |                          |      |      |
| <b>Total Revenues - Asset Management</b>            | <b>Total Revenues - Asset Management</b>            | <b>\$ 321,118</b>        | <b>\$ 9,692,568</b> | <b>\$ 4,230,891</b> |                          |      |      |
| <b>Total Revenues - Asset Management</b>            |                                                     |                          |                     |                     |                          |      |      |
| <b>Total Revenues - Asset Management</b>            |                                                     |                          |                     |                     |                          |      |      |

KKR earns management fees, incentive fees and capital allocation-based income (loss) from investment funds, CLOs, and other vehicles whose primary focus is making investments in specified geographical locations and KKR also earns transaction, monitoring, and consulting fees from portfolio companies located in varying geographies. For the years ended December 31, 2022, December 31, 2023, 2021, 2022, and 2020, 2021, over 10% of consolidated revenues were earned in the United States.

For the year ended December 31, 2023, \$1.8 billion, \$0.6 billion, and \$0.6 billion of total fees and other were generated in the Americas, Europe/Middle East, and Asia-Pacific, respectively. For the year ended December 31, 2022, \$1.7 billion, \$0.5 billion, and \$0.6 billion of total fees and other were generated in the Americas, Europe/Middle East, and Asia-Pacific, respectively. For the year ended December 31, 2021, \$1.5 billion, \$0.7 billion, and \$0.6 billion of total fees and other were generated in the Americas, Europe/Middle East,

and Asia-Pacific, respectively. For the year ended December 31, 2020, \$0.9 billion, \$0.6 billion, and \$0.5 billion of total fees and other were generated in the Americas, Europe/Middle East, and Asia-Pacific, respectively. The determination of the geographic region was based on the geographic focus of the associated investment vehicle or where the portfolio company is headquartered.

For the year ended December 31, 2023, \$1.5 billion, \$0.4 billion, and \$0.9 billion of total capital allocation-based income (loss) were generated in the Americas, Europe/Middle East, and Asia-Pacific, respectively. For the year ended December 31, 2022, \$(1.6) billion, \$0.1 billion, and \$(1.0) billion of total capital allocation-based income (loss) were generated in the Americas, Europe/Middle East, and Asia-Pacific, respectively. For the year ended December 31, 2021, \$4.9 billion, \$0.5 billion, and \$1.4 billion of total capital allocation-based income (loss) were generated in the Americas, Europe/Middle East, and Asia-Pacific, respectively. For the year ended December 31, 2020, \$1.5 billion, \$0.3 billion, and \$0.4 billion of total capital allocation-based income (loss) were generated in the Americas, Europe/Middle East, and Asia-Pacific, respectively. The determination of the geographic region was based on the geographic focus of the associated investment vehicle.

For the year ended December 31, 2023, revenues from one of KKR's flagship private equity funds contributed more than 10% of KKR's total consolidated revenues representing approximately \$1.0 billion of total consolidated revenues. For the year ended December 31, 2022, revenues from one of KKR's flagship private equity funds contributed more than 10% of KKR's total fees and other representing approximately \$0.2 billion. For the year ended December 31, 2022, revenues from three of KKR's flagship private equity funds contributed more than 10% of KKR's total capital allocation-based income (loss) representing approximately \$(2.6) billion. For the year ended December 31, 2021, revenues from two of KKR's flagship private equity funds contributed more than 10% of KKR's total consolidated revenues representing approximately \$4.5 billion of total consolidated revenues. For the year ended December 31, 2020, revenues from two of KKR's flagship private equity funds contributed more than 10% of KKR's total consolidated revenues representing approximately \$1.6 billion of total consolidated revenues.

## Notes to Financial Statements (Continued)

### 5.4. NET GAINS (LOSSES) FROM INVESTMENT ACTIVITIES - ASSET MANAGEMENT

Net Gains (Losses) from Investment Activities in the consolidated statements of operations consist primarily of the realized and unrealized gains and losses on investments (including foreign exchange gains and losses attributable to foreign denominated investments and related activities) and other financial instruments, including those for which the fair value option has been elected. Unrealized gains or losses result from changes in the fair value of these investments and other financial instruments during a period. Upon disposition of an investment or financial instrument, previously recognized unrealized gains or losses are reversed and an offsetting realized gain or loss is recognized in the current period.

The following table summarizes total Net Gains (Losses) from Investment Activities:

| For the Year Ended December 31, 2023            |                                                 |                             |                               |              |
|-------------------------------------------------|-------------------------------------------------|-----------------------------|-------------------------------|--------------|
| For the Year Ended December 31, 2022            |                                                 |                             |                               |              |
|                                                 |                                                 | Net Realized Gains (Losses) | Net Unrealized Gains (Losses) | Total        |
| For the Year Ended December 31, 2023            |                                                 |                             |                               |              |
| For the Year Ended December 31, 2023            |                                                 |                             |                               |              |
|                                                 |                                                 | Net Realized Gains (Losses) |                               |              |
|                                                 |                                                 | Net Realized Gains (Losses) |                               |              |
|                                                 |                                                 | Net Realized Gains (Losses) |                               |              |
| Private Equity <sup>(1)</sup>                   |                                                 |                             |                               |              |
| Private Equity <sup>(1)</sup>                   |                                                 |                             |                               |              |
| Private Equity <sup>(1)</sup>                   | Private Equity <sup>(1)</sup>                   | \$ 784,736                  | \$ (1,541,242)                | \$ (756,506) |
| Credit <sup>(1)</sup>                           | Credit <sup>(1)</sup>                           | (168,025)                   | (470,254)                     | (638,279)    |
| Credit <sup>(1)</sup>                           |                                                 |                             |                               |              |
| Credit <sup>(1)</sup>                           |                                                 |                             |                               |              |
| Investments of Consolidated CFES <sup>(1)</sup> |                                                 |                             |                               |              |
| Investments of Consolidated CFES <sup>(1)</sup> |                                                 |                             |                               |              |
| Investments of Consolidated CFES <sup>(1)</sup> | Investments of Consolidated CFES <sup>(1)</sup> | (69,234)                    | (1,437,482)                   | (1,506,716)  |
| Real Assets <sup>(1)</sup>                      | Real Assets <sup>(1)</sup>                      | 323,901                     | 220,207                       | 544,108      |
| Real Assets <sup>(1)</sup>                      |                                                 |                             |                               |              |
| Real Assets <sup>(1)</sup>                      |                                                 |                             |                               |              |
| Equity Method - Other <sup>(1)</sup>            |                                                 |                             |                               |              |
| Equity Method - Other <sup>(1)</sup>            |                                                 |                             |                               |              |
| Equity Method - Other <sup>(1)</sup>            | Equity Method - Other <sup>(1)</sup>            | 73,317                      | (298,100)                     | (224,783)    |
| Other Investments <sup>(1)</sup>                | Other Investments <sup>(1)</sup>                | 29,490                      | (661,967)                     | (632,477)    |
| Other Investments <sup>(1)</sup>                |                                                 |                             |                               |              |

|                                                    |                                               |              |                               |                |
|----------------------------------------------------|-----------------------------------------------|--------------|-------------------------------|----------------|
| Other Investments (1)                              |                                               |              |                               |                |
| Foreign Exchange Forward Contracts and Options (2) |                                               |              |                               |                |
| Foreign Exchange Forward Contracts and Options (2) |                                               |              |                               |                |
| Foreign Exchange                                   | Foreign Exchange                              |              |                               |                |
| Forward Contracts and Options (2)                  | Forward Contracts and Options (2)             | 389,371      | (26,406)                      | 362,965        |
| Securities Sold Short (2)                          | Securities Sold Short (2)                     | 89,705       | 11,010                        | 100,715        |
| Securities Sold Short (2)                          |                                               |              |                               |                |
| Securities Sold Short (2)                          |                                               |              |                               |                |
| Other Derivatives (2)                              |                                               |              |                               |                |
| Other Derivatives (2)                              |                                               |              |                               |                |
| Other Derivatives (2)                              | Other Derivatives (2)                         | (32,614)     | 39,404                        | 6,790          |
| Debt Obligations and Other (3)                     | Debt Obligations and Other (3)                | (122,141)    | 1,200,787                     | 1,078,646      |
| Debt Obligations and Other (3)                     |                                               |              |                               |                |
| Debt Obligations and Other (3)                     |                                               |              |                               |                |
| Net Gains (Losses) From Investment Activities      |                                               |              |                               |                |
| Net Gains (Losses) From Investment Activities      |                                               |              |                               |                |
| Net Gains (Losses) From Investment Activities      | Net Gains (Losses) From Investment Activities | \$ 1,298,506 | \$ (2,964,043)                | \$ (1,665,537) |
| For the Year Ended December 31, 2021               |                                               |              |                               |                |
|                                                    | Net Realized Gains (Losses)                   |              | Net Unrealized Gains (Losses) | Total          |
| For the Year Ended December 31, 2022               |                                               |              |                               |                |
| For the Year Ended December 31, 2022               |                                               |              |                               |                |
| For the Year Ended December 31, 2022               |                                               |              |                               |                |
| Net Realized Gains (Losses)                        |                                               |              |                               |                |
| Net Realized Gains (Losses)                        |                                               |              |                               |                |
| Net Realized Gains (Losses)                        |                                               |              |                               |                |
| Private Equity (1)                                 |                                               |              |                               |                |
| Private Equity (1)                                 |                                               |              |                               |                |
| Private Equity (1)                                 | Private Equity (1)                            | \$ 1,694,796 | \$ 2,679,388                  | \$ 4,374,184   |
| Credit (1)                                         | Credit (1)                                    | 148,301      | (111)                         | 148,190        |
| Credit (1)                                         |                                               |              |                               |                |
| Credit (1)                                         |                                               |              |                               |                |
| Investments of Consolidated CFES (1)               |                                               |              |                               |                |
| Investments of Consolidated CFES (1)               |                                               |              |                               |                |
| Investments of Consolidated CFES (1)               | Investments of Consolidated CFES (1)          | 62,075       | 134,174                       | 196,249        |
| Real Assets (1)                                    | Real Assets (1)                               | 489,613      | 260,728                       | 750,341        |
| Real Assets (1)                                    |                                               |              |                               |                |
| Real Assets (1)                                    |                                               |              |                               |                |
| Equity Method - Other (1)                          |                                               |              |                               |                |
| Equity Method - Other (1)                          |                                               |              |                               |                |
| Equity Method - Other (1)                          | Equity Method - Other (1)                     | 477,344      | 618,906                       | 1,096,250      |
| Other Investments (1)                              | Other Investments (1)                         | (334,948)    | 949,664                       | 614,716        |
| Other Investments (1)                              |                                               |              |                               |                |
| Other Investments (1)                              |                                               |              |                               |                |

|                                                               |                                                               |                             |                               |              |
|---------------------------------------------------------------|---------------------------------------------------------------|-----------------------------|-------------------------------|--------------|
| Foreign Exchange Forward Contracts and Options <sup>(2)</sup> |                                                               |                             |                               |              |
| Foreign Exchange Forward Contracts and Options <sup>(2)</sup> |                                                               |                             |                               |              |
| Foreign Exchange Forward Contracts and Options <sup>(2)</sup> | Foreign Exchange Forward Contracts and Options <sup>(2)</sup> | (28,829)                    | 574,067                       | 545,238      |
| Securities Sold Short <sup>(2)</sup>                          | Securities Sold Short <sup>(2)</sup>                          | 38,698                      | 27,773                        | 66,471       |
| Securities Sold Short <sup>(2)</sup>                          |                                                               |                             |                               |              |
| Securities Sold Short <sup>(2)</sup>                          |                                                               |                             |                               |              |
| Other Derivatives <sup>(2)</sup>                              |                                                               |                             |                               |              |
| Other Derivatives <sup>(2)</sup>                              |                                                               |                             |                               |              |
| Other Derivatives <sup>(2)</sup>                              | Other Derivatives <sup>(2)</sup>                              | (148,245)                   | 71,211                        | (77,034)     |
| Debt Obligations and Other <sup>(3)</sup>                     | Debt Obligations and Other <sup>(3)</sup>                     | (16,596)                    | 22,914                        | 6,318        |
| Debt Obligations and Other <sup>(3)</sup>                     |                                                               |                             |                               |              |
| Debt Obligations and Other <sup>(3)</sup>                     |                                                               |                             |                               |              |
| Net Gains (Losses) From Investment Activities                 |                                                               |                             |                               |              |
| Net Gains (Losses) From Investment Activities                 |                                                               |                             |                               |              |
| Net Gains (Losses) From Investment Activities                 | Net Gains (Losses) From Investment Activities                 | \$ 2,382,209                | \$ 5,338,714                  | \$ 7,720,923 |
| For the Year Ended December 31, 2020                          |                                                               |                             |                               |              |
|                                                               |                                                               | Net Realized Gains (Losses) | Net Unrealized Gains (Losses) | Total        |
| For the Year Ended December 31, 2021                          |                                                               |                             |                               |              |
| For the Year Ended December 31, 2021                          |                                                               |                             |                               |              |
| For the Year Ended December 31, 2021                          |                                                               |                             |                               |              |
| Net Realized Gains (Losses)                                   |                                                               |                             |                               |              |
| Net Realized Gains (Losses)                                   |                                                               |                             |                               |              |
| Net Realized Gains (Losses)                                   |                                                               |                             |                               |              |
| Private Equity <sup>(1)</sup>                                 |                                                               |                             |                               |              |
| Private Equity <sup>(1)</sup>                                 |                                                               |                             |                               |              |
| Private Equity <sup>(1)</sup>                                 | Private Equity <sup>(1)</sup>                                 | \$ 951,361                  | \$ 3,655,820                  | \$ 4,607,181 |
| Credit <sup>(1)</sup>                                         | Credit <sup>(1)</sup>                                         | (86,512)                    | (164,764)                     | (251,276)    |
| Credit <sup>(1)</sup>                                         |                                                               |                             |                               |              |
| Credit <sup>(1)</sup>                                         |                                                               |                             |                               |              |
| Investments of Consolidated CFES <sup>(1)</sup>               |                                                               |                             |                               |              |
| Investments of Consolidated CFES <sup>(1)</sup>               |                                                               |                             |                               |              |
| Investments of Consolidated CFES <sup>(1)</sup>               | Investments of Consolidated CFES <sup>(1)</sup>               | (188,506)                   | 102,798                       | (85,708)     |
| Real Assets <sup>(1)</sup>                                    | Real Assets <sup>(1)</sup>                                    | 36,784                      | (122,147)                     | (85,363)     |
| Real Assets <sup>(1)</sup>                                    |                                                               |                             |                               |              |
| Real Assets <sup>(1)</sup>                                    |                                                               |                             |                               |              |
| Equity Method - Other <sup>(1)</sup>                          |                                                               |                             |                               |              |
| Equity Method - Other <sup>(1)</sup>                          |                                                               |                             |                               |              |
| Equity Method - Other <sup>(1)</sup>                          | Equity Method - Other <sup>(1)</sup>                          | (137,649)                   | 652,334                       | 514,685      |
| Other Investments <sup>(1)</sup>                              | Other Investments <sup>(1)</sup>                              | (335,841)                   | 156,396                       | (179,445)    |
| Other Investments <sup>(1)</sup>                              |                                                               |                             |                               |              |
| Other Investments <sup>(1)</sup>                              |                                                               |                             |                               |              |

|                                                               |                                                               |            |              |              |
|---------------------------------------------------------------|---------------------------------------------------------------|------------|--------------|--------------|
| Foreign Exchange Forward Contracts and Options <sup>(2)</sup> |                                                               |            |              |              |
| Foreign Exchange Forward Contracts and Options <sup>(2)</sup> |                                                               |            |              |              |
| Foreign Exchange Forward Contracts and Options <sup>(2)</sup> | Foreign Exchange Forward Contracts and Options <sup>(2)</sup> | 123,681    | (455,777)    | (332,096)    |
| Securities Sold Short <sup>(2)</sup>                          | Securities Sold Short <sup>(2)</sup>                          | (145,137)  | (22,747)     | (167,884)    |
| Securities Sold Short <sup>(2)</sup>                          |                                                               |            |              |              |
| Securities Sold Short <sup>(2)</sup>                          |                                                               |            |              |              |
| Other Derivatives <sup>(2)</sup>                              |                                                               |            |              |              |
| Other Derivatives <sup>(2)</sup>                              |                                                               |            |              |              |
| Other Derivatives <sup>(2)</sup>                              | Other Derivatives <sup>(2)</sup>                              | (95,831)   | (106,913)    | (202,744)    |
| Debt Obligations and Other <sup>(3)</sup>                     | Debt Obligations and Other <sup>(3)</sup>                     | 40,589     | (215,135)    | (174,546)    |
| Debt Obligations and Other <sup>(3)</sup>                     |                                                               |            |              |              |
| Debt Obligations and Other <sup>(3)</sup>                     |                                                               |            |              |              |
| Net Gains (Losses) From Investment Activities                 | Net Gains (Losses) From Investment Activities                 | \$ 162,939 | \$ 3,479,865 | \$ 3,642,804 |
| Net Gains (Losses) From Investment Activities                 |                                                               |            |              |              |
| Net Gains (Losses) From Investment Activities                 |                                                               |            |              |              |

(1) See Note 8 7 "Investments."

(2) See Note 9 8 "Derivatives" and Note 15 14 "Other Assets and Accrued Expenses and Other Liabilities."

(3) See Note 17 16 "Debt Obligations."

## Notes to Financial Statements (Continued)

### 6.5. NET INVESTMENT INCOME - INSURANCE

Net investment income for Global Atlantic is comprised primarily of interest income, including amortization of premiums and accretion of discounts, based on yields that change due to expectations in projected cash flows, dividend income from common and preferred stock, earnings from investments accounted for under equity method accounting, and lease income on other investments.

The components of net investment income were as follows:

|                                                       |                                                       | Years Ended December 31, |             |
|-------------------------------------------------------|-------------------------------------------------------|--------------------------|-------------|
|                                                       |                                                       | 2022                     | 2021        |
|                                                       |                                                       | Years Ended December 31, |             |
|                                                       |                                                       | Years Ended December 31, |             |
|                                                       |                                                       | Years Ended December 31, |             |
|                                                       |                                                       | 2023                     | 2022        |
|                                                       |                                                       | 2023                     | 2021        |
| Fixed maturity securities – interest and other income | Fixed maturity securities – interest and other income | \$3,257,226              | \$2,262,326 |
| Mortgage and other loan receivables                   | Mortgage and other loan receivables                   | 1,572,308                | 952,951     |



|                                                                        |                                                                        |             |             |
|------------------------------------------------------------------------|------------------------------------------------------------------------|-------------|-------------|
| Investments in transportation and other leased assets                  | Investments in transportation and other leased assets                  | 281,941     | 208,057     |
| Investments in renewable energy                                        | Investments in renewable energy                                        | 206,566     | 142,095     |
| Investments in real estate                                             | Investments in real estate                                             | 116,975     | 16,101      |
| Short-term and other investment income                                 | Short-term and other investment income                                 | 119,476     | 54,785      |
| Income assumed from funds withheld receivable at interest              | Income assumed from funds withheld receivable at interest              | 91,608      | 79,989      |
| Policy loans                                                           | Policy loans                                                           | 31,433      | 35,411      |
| Equity securities – dividends and other income                         | Equity securities – dividends and other income                         | —           | 1,492       |
| Income ceded to funds withheld payable at interest                     | Income ceded to funds withheld payable at interest                     | (954,763)   | (461,505)   |
| Gross investment income                                                | Gross investment income                                                | 4,722,770   | 3,291,702   |
| Less investment expenses:                                              | Less investment expenses:                                              |             |             |
| Investment management and administration                               | Investment management and administration                               | 364,609     | 272,321     |
| Investment management and administration                               | Investment management and administration                               |             |             |
| Transportation and renewable energy asset depreciation and maintenance | Transportation and renewable energy asset depreciation and maintenance | 215,672     | 171,306     |
| Interest expense on derivative collateral and repurchase agreements    | Interest expense on derivative collateral and repurchase agreements    | 24,243      | 2,452       |
| Net investment income                                                  | Net investment income                                                  | \$4,118,246 | \$2,845,623 |

## Notes to Financial Statements (Continued)

## 6. NET INVESTMENT-RELATED GAINS (LOSSES) - INSURANCE

Net investment-related gains (losses) from insurance operations primarily consists of (i) realized gains and (losses) from the disposal of investments, (ii) unrealized gains and (losses) from investments held for trading, equity securities, real estate investments accounted for under investment company accounting, and investments with fair value remeasurements recognized in earnings as a result of the election of a fair-value option, (iii) unrealized gains and (losses) on funds withheld at interest, (iv) unrealized gains and (losses) from derivatives not (excluding certain derivatives designated in an hedging relationship, as hedge accounting instruments), and (v) allowances for credit losses, and other impairments of investments.

Net investment-related gains (losses) were as follows:

|                                                                                                                   | Years Ended December 31, |                   |
|-------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------|
|                                                                                                                   | 2022                     | 2021              |
| Realized gains on equity investments                                                                              | \$ —                     | \$ 511,247        |
| Realized losses on available-for-sale fixed maturity debt securities                                              | (559,987)                | (201,411)         |
| Credit loss allowances on available-for-sale securities                                                           | (57,411)                 | 25,316            |
| Credit loss allowances on mortgage and other loan receivables                                                     | (369,296)                | (252,979)         |
| Allowances on unfunded commitments                                                                                | (34,112)                 | (21,675)          |
| Unrealized losses on fixed maturity securities classified as trading                                              | (2,603,874)              | (118,714)         |
| Unrealized gains on investments recognized under the fair-value option                                            | 60,237                   | 39,758            |
| Unrealized (losses) gains on real estate investments recognized at fair value under investment company accounting | (42,870)                 | 35,418            |
| Net gains on derivative instruments                                                                               | 2,346,747                | 222,745           |
| Realized gains (losses) on funds withheld at interest payable portfolio                                           | 38,074                   | (30,015)          |
| Realized (losses) gains on funds withheld at interest receivable portfolio                                        | (3,176)                  | 12,418            |
| Other realized losses                                                                                             | (92,822)                 | (18,355)          |
| <b>Net investment-related (losses) gains</b>                                                                      | <b>\$ (1,318,490)</b>    | <b>\$ 203,753</b> |

## Notes to Financial Statements (Continued)

|                                                                                                                   | Years Ended December 31, |                       |                   |
|-------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------------|-------------------|
|                                                                                                                   | 2023                     | 2022                  | 2021              |
| Realized losses on available-for-sale fixed maturity debt securities                                              | \$ (64,140)              | \$ (559,987)          | \$ (201,411)      |
| Credit loss allowances on available-for-sale securities                                                           | (168,899)                | (57,411)              | 25,316            |
| Credit loss allowances on mortgage and other loan receivables                                                     | (210,704)                | (369,296)             | (252,979)         |
| Allowances on unfunded commitments                                                                                | 6,321                    | (34,112)              | (21,675)          |
| Impairment of available-for-sale fixed maturity debt securities due to intent to sell                             | (26,741)                 | —                     | —                 |
| Unrealized gains (losses) on fixed maturity securities classified as trading                                      | 1,031,227                | (2,603,874)           | (118,714)         |
| Unrealized (losses) gains on investments recognized under the fair-value option                                   | (110,371)                | 60,237                | 39,758            |
| Unrealized (losses) gains on real estate investments recognized at fair value under investment company accounting | (115,840)                | (42,870)              | 35,418            |
| Net (losses) gains on derivative instruments                                                                      | (680,717)                | 2,346,747             | 222,745           |
| Realized gains (losses) on funds withheld at interest payable portfolio                                           | 25,427                   | 38,074                | (30,015)          |
| Realized (losses) gains on funds withheld at interest receivable portfolio                                        | (9,193)                  | (3,176)               | 12,418            |
| Realized gains on equity investments                                                                              | —                        | —                     | 511,247           |
| Other realized gains (losses)                                                                                     | 88,368                   | (92,822)              | (18,355)          |
| <b>Net investment-related gains (losses)</b>                                                                      | <b>\$ (235,262)</b>      | <b>\$ (1,318,490)</b> | <b>\$ 203,753</b> |

## Allowance for credit losses

## Available-for-sale fixed maturity securities

The table below presents a roll-forward of the allowance for credit losses recognized for fixed maturity securities held by Global Atlantic:

| Year Ended December 31, 2022 |            |       | Year Ended December 31, 2021 |            |       |
|------------------------------|------------|-------|------------------------------|------------|-------|
| Corporate                    | Structured | Total | Corporate                    | Structured | Total |

| Year Ended December 31, 2023                                                                                                                         |                                                                                                                                                      |       |          |          | Year Ended December 31, 2023 |            |          | Year Ended December 31, 2022 |            |       |
|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-------|----------|----------|------------------------------|------------|----------|------------------------------|------------|-------|
| Corporate                                                                                                                                            |                                                                                                                                                      |       |          |          | Corporate                    | Structured | Total    | Corporate                    | Structured | Total |
| Balance, as of beginning of period                                                                                                                   |                                                                                                                                                      |       |          |          |                              |            |          |                              |            |       |
| Initial credit loss allowance recognized on securities with no previously recognized allowance                                                       |                                                                                                                                                      |       |          |          |                              |            |          |                              |            |       |
| Initial credit loss allowance recognized on purchased credit deteriorated ("PCD") securities                                                         | Initial credit loss allowance recognized on purchased credit deteriorated ("PCD") securities                                                         | —     | 707      | 707      | —                            | 8,072      | 8,072    |                              |            |       |
| Accretion of initial credit loss allowance on PCD securities                                                                                         | Accretion of initial credit loss allowance on PCD securities                                                                                         | —     | 1,847    | 1,847    | —                            | 2,782      | 2,782    |                              |            |       |
| Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities previously identified as credit impaired           | Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities previously identified as credit impaired           | —     | (11,925) | (11,925) | —                            | (18,300)   | (18,300) |                              |            |       |
| Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities with a previously recognized credit loss allowance | Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities with a previously recognized credit loss allowance |       |          |          |                              |            |          |                              |            |       |
| Net additions / reductions for securities previously impaired                                                                                        | Net additions / reductions for securities previously impaired                                                                                        | 5,110 | (17,433) | (12,323) | —                            | (83,825)   | (83,825) |                              |            |       |

|                                                                                              |                              |          |            |           |          |           |           |
|----------------------------------------------------------------------------------------------|------------------------------|----------|------------|-----------|----------|-----------|-----------|
| Net additions / reductions for securities with a previously recognized credit loss allowance |                              |          |            |           |          |           |           |
| Net additions / reductions for securities with a previously recognized credit loss allowance |                              |          |            |           |          |           |           |
| Net additions / reductions for securities with a previously recognized credit loss allowance |                              |          |            |           |          |           |           |
| Balances charged off                                                                         | Balances charged off         | (7,841)  | —          | (7,841)   | —        | —         | —         |
| Balance, as of end of period                                                                 | Balance, as of end of period | \$ 1,298 | \$ 127,034 | \$128,332 | \$ 3,238 | \$ 84,895 | \$ 88,133 |
| Balance, as of end of period                                                                 |                              |          |            |           |          |           |           |
| Balance, as of end of period                                                                 |                              |          |            |           |          |           |           |

#### Notes to Financial Statements (Continued)

|                                                                                                                                                      | Year Ended December 31, 2021 |                  |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|
|                                                                                                                                                      | Corporate                    | Structured       | Total            |
| <b>Balance, as of beginning of period<sup>(1)</sup></b>                                                                                              | \$ —                         | \$ 120,895       | \$ 120,895       |
| Initial credit loss allowance recognized on securities with no previously recognized allowance                                                       | 3,238                        | 55,271           | 58,509           |
| Initial credit loss allowance recognized on PCD securities                                                                                           | —                            | 8,072            | 8,072            |
| Accretion of initial credit loss allowance on PCD securities                                                                                         | —                            | 2,782            | 2,782            |
| Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities with a previously recognized credit loss allowance | —                            | (18,300)         | (18,300)         |
| Net additions / reductions for securities with a previously recognized credit loss allowance                                                         | —                            | (83,825)         | (83,825)         |
| <b>Balance, as of end of period</b>                                                                                                                  | <b>\$ 3,238</b>              | <b>\$ 84,895</b> | <b>\$ 88,133</b> |

(1) For the year ended December 31, 2021, includes securities designated as purchased credit impaired as of the time of the acquisition of Global Atlantic.

#### Mortgage and other loan receivables

Changes in the allowance for credit losses on mortgage and other loan receivables held by Global Atlantic are summarized below:

|                                                        | Year Ended December 31, 2022 |                   |                        |                   | Year Ended December 31, 2021 |                  |                        |                   |
|--------------------------------------------------------|------------------------------|-------------------|------------------------|-------------------|------------------------------|------------------|------------------------|-------------------|
|                                                        | Commercial                   | Residential       | Consumer and           | Total             | Commercial                   | Residential      | Consumer and           | Total             |
|                                                        | Mortgage Loans               | Mortgage Loans    | Other Loan Receivables |                   | Mortgage Loans               | Mortgage Loans   | Other Loan Receivables |                   |
| Balance, as of beginning of period <sup>(1)</sup>      | \$ 65,970                    | \$ 72,082         | \$ 236,025             | \$ 374,077        | \$ 58,203                    | \$ 62,056        | \$ —                   | \$ 120,259        |
| Net provision (release)                                | 161,345                      | 74,798            | 133,153                | 369,296           | 7,767                        | 10,024           | 235,188                | 252,979           |
| Loans purchased with credit deterioration              | —                            | —                 | —                      | —                 | —                            | 799              | 837                    | 1,636             |
| Balances charged off, net of recoveries <sup>(2)</sup> | —                            | (21,055)          | (162,090)              | (183,145)         | —                            | (797)            | —                      | (797)             |
| <b>Balance, as of end of period</b>                    | <b>\$ 227,315</b>            | <b>\$ 125,825</b> | <b>\$ 207,088</b>      | <b>\$ 560,228</b> | <b>\$ 65,970</b>             | <b>\$ 72,082</b> | <b>\$ 236,025</b>      | <b>\$ 374,077</b> |

|                                              | Year Ended December 31, 2023 |                   |                           |                   | Year Ended December 31, 2022 |                   |                           |                   |
|----------------------------------------------|------------------------------|-------------------|---------------------------|-------------------|------------------------------|-------------------|---------------------------|-------------------|
|                                              | Commercial                   | Residential       | Consumer and              | Total             | Commercial                   | Residential       | Consumer and              | Total             |
|                                              | Mortgage Loans               | Mortgage Loans    | Other Loan<br>Receivables |                   | Mortgage Loans               | Mortgage Loans    | Other Loan<br>Receivables |                   |
| Balance, as of beginning of period           | \$ 227,315                   | \$ 125,825        | \$ 207,088                | \$ 560,228        | \$ 65,970                    | \$ 72,082         | \$ 236,025                | \$ 374,077        |
| Net provision (release)                      | 113,932                      | (10,445)          | 107,217                   | 210,704           | 161,345                      | 74,798            | 133,153                   | 369,296           |
| Charge-offs <sup>(2)</sup>                   | (21,616)                     | (8,176)           | (160,465)                 | (190,257)         | —                            | (21,055)          | (162,090)                 | (183,145)         |
| Recoveries of amounts previously charged-off | —                            | —                 | 21,768                    | 21,768            | —                            | —                 | —                         | —                 |
| <b>Balance, as of end of period</b>          | <b>\$ 319,631</b>            | <b>\$ 107,204</b> | <b>\$ 175,608</b>         | <b>\$ 602,443</b> | <b>\$ 227,315</b>            | <b>\$ 125,825</b> | <b>\$ 207,088</b>         | <b>\$ 560,228</b> |

|                                                   | Year Ended December 31, 2021 |                  |                           |                   |
|---------------------------------------------------|------------------------------|------------------|---------------------------|-------------------|
|                                                   | Commercial                   | Residential      | Consumer and              | Total             |
|                                                   | Mortgage Loans               | Mortgage Loans   | Other Loan<br>Receivables |                   |
| Balance, as of beginning of period <sup>(1)</sup> | \$ 58,203                    | \$ 62,056        | \$ —                      | \$ 120,259        |
| Net provision (release)                           | 7,767                        | 10,024           | 235,188                   | 252,979           |
| Loans purchased with credit deterioration         | —                            | 799              | 837                       | 1,636             |
| Charge-offs                                       | —                            | (797)            | —                         | (797)             |
| <b>Balance, as of end of period</b>               | <b>\$ 65,970</b>             | <b>\$ 72,082</b> | <b>\$ 236,025</b>         | <b>\$ 374,077</b> |

(1) For the year ended December 31, 2021, includes loans designated as purchased credit deteriorated as of the time of the acquisition of Global Atlantic.

(2) Consumer and other loan receivables included **\$12.8 million** of recoveries for the year ended December 31, 2022.

#### Notes to Financial Statements (Continued)

#### Proceeds and gross gains and losses from voluntary sales

The proceeds from voluntary sales and the gross gains and losses on those sales of available-for-sale ("AFS") fixed maturity securities were as follows:

|                                |                                | Years Ended December 31, |              |
|--------------------------------|--------------------------------|--------------------------|--------------|
|                                |                                | 2022                     | 2021         |
|                                |                                | Years Ended December 31, |              |
|                                |                                | 2023                     | 2022         |
|                                |                                | 2023                     | 2022         |
|                                |                                | 2023                     | 2021         |
| AFS fixed maturity securities: | AFS fixed maturity securities: |                          |              |
| Proceeds from voluntary sales  | Proceeds from voluntary sales  | \$12,050,106             | \$17,946,293 |
| Gross gains                    | Gross gains                    | 21,567                   | 45,532       |
| Gross losses                   | Gross losses                   | (569,706)                | (187,619)    |

**7. INVESTMENTS**

Investments consist of the following:

|                                                                             |                                                                             | December 31, 2022 |            | December 31, 2021 |            |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------------|------------|-------------------|------------|
| Asset Management                                                            | Asset Management                                                            |                   |            |                   |            |
| Asset Management                                                            |                                                                             |                   |            |                   |            |
| Asset Management                                                            |                                                                             |                   |            |                   |            |
| Private Equity                                                              |                                                                             |                   |            |                   |            |
| Private Equity                                                              |                                                                             |                   |            |                   |            |
| Private Equity                                                              | Private Equity                                                              | \$                | 26,607,688 | \$                | 25,685,750 |
| Credit                                                                      | Credit                                                                      |                   | 7,804,392  |                   | 7,949,573  |
| Credit                                                                      |                                                                             |                   |            |                   |            |
| Credit                                                                      |                                                                             |                   |            |                   |            |
| Investments of Consolidated CFEs                                            |                                                                             |                   |            |                   |            |
| Investments of Consolidated CFEs                                            |                                                                             |                   |            |                   |            |
| Investments of Consolidated CFEs                                            | Investments of Consolidated CFEs                                            |                   | 22,492,366 |                   | 22,076,809 |
| Real Assets                                                                 | Real Assets                                                                 |                   | 17,976,366 |                   | 12,500,749 |
| Real Assets                                                                 |                                                                             |                   |            |                   |            |
| Real Assets                                                                 |                                                                             |                   |            |                   |            |
| Equity Method - Other                                                       |                                                                             |                   |            |                   |            |
| Equity Method - Other                                                       |                                                                             |                   |            |                   |            |
| Equity Method - Other                                                       | Equity Method - Other                                                       |                   | 6,838,541  |                   | 4,877,592  |
| Equity Method - Capital                                                     | Equity Method - Capital                                                     |                   |            |                   |            |
| Allocation-Based Income                                                     | Allocation-Based Income                                                     |                   | 6,862,712  |                   | 11,539,945 |
| Equity Method - Capital Allocation-Based Income                             |                                                                             |                   |            |                   |            |
| Equity Method - Capital Allocation-Based Income                             |                                                                             |                   |            |                   |            |
| Other Investments                                                           | Other Investments                                                           |                   | 3,793,398  |                   | 4,145,096  |
| Other Investments                                                           |                                                                             |                   |            |                   |            |
| Other Investments                                                           |                                                                             |                   |            |                   |            |
| Investments - Asset Management                                              |                                                                             |                   |            |                   |            |
| Investments - Asset Management                                              |                                                                             |                   |            |                   |            |
| Investments - Asset Management                                              | Investments - Asset Management                                              | \$                | 92,375,463 | \$                | 88,775,514 |
| Insurance                                                                   | Insurance                                                                   |                   |            |                   |            |
| Insurance                                                                   |                                                                             |                   |            |                   |            |
| Insurance                                                                   |                                                                             |                   |            |                   |            |
| Fixed maturity securities, available-for-sale, at fair value <sup>(1)</sup> |                                                                             |                   |            |                   |            |
| Fixed maturity securities, available-for-sale, at fair value <sup>(1)</sup> |                                                                             |                   |            |                   |            |
| Fixed maturity securities, available-for-sale, at fair value <sup>(1)</sup> | Fixed maturity securities, available-for-sale, at fair value <sup>(1)</sup> | \$                | 61,939,529 | \$                | 68,870,886 |
| Mortgage and other loan receivables                                         | Mortgage and other loan receivables                                         |                   | 35,090,698 |                   | 28,876,759 |
| Mortgage and other loan receivables                                         |                                                                             |                   |            |                   |            |
| Mortgage and other loan receivables                                         |                                                                             |                   |            |                   |            |
| Fixed maturity securities, trading, at fair value <sup>(2)</sup>            |                                                                             |                   |            |                   |            |
| Fixed maturity securities, trading, at fair value <sup>(2)</sup>            |                                                                             |                   |            |                   |            |

|                                                                  |                                                                  |                       |                       |
|------------------------------------------------------------------|------------------------------------------------------------------|-----------------------|-----------------------|
| Fixed maturity securities, trading, at fair value <sup>(2)</sup> | Fixed maturity securities, trading, at fair value <sup>(2)</sup> | 12,038,847            | 13,753,573            |
| Other investments                                                | Other investments                                                | 11,374,656            | 8,208,566             |
| Other investments                                                |                                                                  |                       |                       |
| Other investments                                                |                                                                  |                       |                       |
| Funds withheld receivable at interest                            |                                                                  |                       |                       |
| Funds withheld receivable at interest                            |                                                                  |                       |                       |
| Funds withheld receivable at interest                            | Funds withheld receivable at interest                            | 2,868,036             | 2,999,448             |
| Policy loans                                                     | Policy loans                                                     | 868,911               | 765,310               |
| Policy loans                                                     |                                                                  |                       |                       |
| Policy loans                                                     |                                                                  |                       |                       |
| Equity securities at fair value                                  | Equity securities at fair value                                  | 18,499                | 289,133               |
| Equity securities at fair value                                  |                                                                  |                       |                       |
| Equity securities at fair value                                  |                                                                  |                       |                       |
| Investments - Insurance                                          |                                                                  |                       |                       |
| Investments - Insurance                                          |                                                                  |                       |                       |
| Investments - Insurance                                          | Investments - Insurance                                          | \$ 124,199,176        | \$ 123,763,675        |
| <b>Total Investments</b>                                         | <b>Total Investments</b>                                         | <b>\$ 216,574,639</b> | <b>\$ 212,539,189</b> |
| <b>Total Investments</b>                                         |                                                                  |                       |                       |
| <b>Total Investments</b>                                         |                                                                  |                       |                       |

(1) Amortized cost of \$73.6 billion \$78.7 billion and \$69.5 billion \$73.6 billion, net of credit loss allowances of \$128.3 million \$268.7 million and \$88.1 million \$128.3 million, respectively.

(2) Amortized cost of \$14.8 billion \$20.5 billion and \$13.9 billion \$14.8 billion, respectively.

As of both December 31, 2022 December 31, 2023 and 2021, 2022, there were no investments which represented greater than 5% of total investments.

For certain disclosures a comparison to prior period is not provided when the amounts relate to investments held by Global Atlantic, which was acquired by KKR on February 1, 2021.

## Notes to Financial Statements (Continued)

### Equity Method

KKR evaluates its equity method investments for which KKR has not elected the fair value option for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may not be recoverable. During the years ended December 31, 2022 December 31, 2023, 2022 and 2021, there were no impairment charges related to equity method investments. During the year ended December 31, 2020, KKR recognized an \$88.3 million impairment charge in Net Gains (Losses) from Investment Activities to reduce the carrying value of one of its equity method investments that is accounted for under the equity method of accounting to its fair value. KKR determined that the growth expectations of the investment had declined significantly and the estimated fair value of the investment had declined meaningfully. Therefore, KKR performed a valuation to determine whether the fair value of the investment had declined below its carrying value using a discounted cash flow analysis, a Level III fair value methodology. Based on the discounted cash flow analysis, KKR concluded that the fair value of its investment had declined below its carrying value and that the decline was other than temporary.

### Summarized Financial Information

KKR evaluates each of its equity method investments to determine if any are significant as defined in the regulations promulgated by the U.S. Securities and Exchange Commission (the "SEC"). As of and for the years ended December 31, 2022 December 31, 2023, 2021, 2022, and 2020, 2021, no individual equity method investment held by KKR met the significance criteria. As such, KKR is not required to present separate financial statements for any of its equity method investments.

The following table shows summarized financial information relating to the statements of financial condition for all of KKR's equity method investments assuming 100% ownership as of December 31, 2022 December 31, 2023 and 2021:

|                          | December 31, 2022 | December 31, 2021 |
|--------------------------|-------------------|-------------------|
| <i>Asset Management</i>  |                   |                   |
| <b>Total Assets</b>      | \$ 236,214,688    | \$ 154,165,237    |
| <b>Total Liabilities</b> | \$ 78,864,977     | \$ 20,176,773     |
| <b>Total Equity</b>      | \$ 157,349,711    | \$ 133,988,464    |
| <i>Insurance</i>         |                   |                   |



| 2022:                    |  |                   |                   |
|--------------------------|--|-------------------|-------------------|
|                          |  | December 31, 2023 | December 31, 2022 |
| <i>Asset Management</i>  |  |                   |                   |
| <b>Total Assets</b>      |  | \$ 245,172,170    | \$ 236,214,688    |
| <b>Total Liabilities</b> |  | \$ 67,695,320     | \$ 78,864,977     |
| <b>Total Equity</b>      |  | \$ 177,476,850    | \$ 157,349,711    |
| <i>Insurance</i>         |  |                   |                   |
| <b>Total Assets</b>      |  | \$ 5,643,540      | \$ 12,304,705     |
| <b>Total Liabilities</b> |  | \$ 3,040,471      | \$ 3,382,255      |
| <b>Total Equity</b>      |  | \$ 2,603,069      | \$ 8,922,450      |

|                                                             |                                  |               |               |               |      |      |
|-------------------------------------------------------------|----------------------------------|---------------|---------------|---------------|------|------|
|                                                             | For the Years Ended December 31, |               |               |               |      |      |
|                                                             | For the Years Ended December 31, |               |               |               |      |      |
|                                                             | For the Years Ended December 31, |               |               |               |      |      |
|                                                             | 2022                             | 2021          | 2020          |               |      |      |
|                                                             | For the Years Ended December 31, |               |               |               |      |      |
|                                                             | 2023                             |               |               | 2023          | 2022 | 2021 |
| Asset                                                       | Asset                            |               |               |               |      |      |
| Management                                                  | Management                       |               |               |               |      |      |
| Investment Related Revenues                                 |                                  |               |               |               |      |      |
| Investment Related Revenues                                 |                                  |               |               |               |      |      |
| Investment Related Revenues                                 | Investment Related Revenues      | \$ 28,379,991 | \$ 5,812,879  | \$ 3,957,091  |      |      |
| Other Revenues                                              | Other Revenues                   | 826,557       | 3,919,200     | 3,526,681     |      |      |
| Investment Related Expenses                                 | Investment Related Expenses      | 4,297,342     | 2,504,491     | 2,347,521     |      |      |
| Other Expenses                                              | Other Expenses                   | 223,953       | 2,949,799     | 2,534,041     |      |      |
| Net Realized and Unrealized Gain/(Loss) from Investments    |                                  |               |               |               |      |      |
|                                                             |                                  | (16,279,901)  | 31,380,451    | 8,007,682     |      |      |
|                                                             |                                  | \$ 8,405,352  | \$ 35,658,240 | \$ 10,609,892 |      |      |
| Net Realized and Unrealized Gains (Losses) from Investments |                                  |               |               |               |      |      |
| \$                                                          |                                  |               |               |               |      |      |
| Insurance                                                   | Insurance                        |               |               |               |      |      |
| Insurance                                                   |                                  |               |               |               |      |      |
| Insurance                                                   |                                  |               |               |               |      |      |

| Revenues          |                   |              |              |              |
|-------------------|-------------------|--------------|--------------|--------------|
| Revenues          |                   |              |              |              |
| Revenues          | Revenues          | \$ 1,365,222 | \$ 1,225,099 | \$ —         |
| Expenses          | Expenses          | 708,229      | 588,724      | —            |
|                   |                   | \$ 656,993   | \$ 636,375   | \$ —         |
| \$                |                   |              |              |              |
| Net Income (Loss) | Net Income (Loss) | \$ 9,062,345 | \$36,294,615 | \$10,609,892 |
| Net Income (Loss) |                   |              |              |              |
| Net Income (Loss) |                   |              |              |              |

## Notes to Financial Statements (Continued)

### Fixed maturity securities

The cost or amortized cost and fair value for AFS fixed maturity securities were as follows:

| As of December 31, 2022                          | Cost or amortized cost | Allowance for Credit     | Gross unrealized |                        | Fair value           |
|--------------------------------------------------|------------------------|--------------------------|------------------|------------------------|----------------------|
|                                                  |                        | Losses <sup>(1)(2)</sup> | gains            | losses                 |                      |
| AFS fixed maturity securities portfolio by type: |                        |                          |                  |                        |                      |
| U.S. government and agencies                     | \$ 438,931             | \$ —                     | \$ 304           | \$ (72,494)            | \$ 366,741           |
| U.S. state, municipal and political subdivisions | 5,638,252              | —                        | 6,582            | (1,233,874)            | 4,410,960            |
| Corporate                                        | 44,253,062             | (1,298)                  | 49,509           | (7,984,341)            | 36,316,932           |
| Residential mortgage-backed securities           | 7,307,526              | (100,554)                | 12,052           | (834,212)              | 6,384,812            |
| Commercial mortgage-backed securities            | 7,269,662              | (14,490)                 | 36               | (834,735)              | 6,420,473            |
| Collateralized bond obligations                  | 3,051,850              | (426)                    | —                | (217,773)              | 2,833,651            |
| Collateralized loan obligations                  | 2,726,888              | (6,165)                  | 127              | (200,160)              | 2,520,690            |
| Asset-backed securities                          | 2,914,617              | (5,399)                  | 4,702            | (228,650)              | 2,685,270            |
| <b>Total AFS fixed maturity securities</b>       | <b>\$ 73,600,788</b>   | <b>\$ (128,332)</b>      | <b>\$ 73,312</b> | <b>\$ (11,606,239)</b> | <b>\$ 61,939,529</b> |

| As of December 31, 2023                           | Cost or amortized cost | Allowance for Credit     | Gross unrealized  |                       | Fair value           |
|---------------------------------------------------|------------------------|--------------------------|-------------------|-----------------------|----------------------|
|                                                   |                        | Losses <sup>(1)(2)</sup> | gains             | losses                |                      |
| AFS fixed maturity securities portfolio by type:  |                        |                          |                   |                       |                      |
| U.S. government and agencies                      | \$ 1,209,507           | \$ —                     | \$ 62,514         | \$ (68,929)           | \$ 1,203,092         |
| U.S. state, municipal and political subdivisions  | 5,562,826              | —                        | 29,699            | (985,133)             | 4,607,392            |
| Corporate                                         | 46,378,337             | (49,008)                 | 211,570           | (6,592,143)           | 39,948,756           |
| Residential mortgage-backed securities, or “RMBS” | 8,734,629              | (152,067)                | 38,206            | (674,550)             | 7,946,218            |
| Commercial mortgage-backed securities, or “CMBS”  | 7,491,743              | (35,953)                 | 4,195             | (731,358)             | 6,728,627            |
| Collateralized bond obligations, or “CBOs”        | 2,951,511              | (1,214)                  | —                 | (143,818)             | 2,806,479            |
| CLOs                                              | 3,493,731              | (19,077)                 | 6,483             | (52,365)              | 3,428,772            |
| Asset-backed securities, or “ABSs”                | 2,901,573              | (11,393)                 | 14,358            | (159,686)             | 2,744,852            |
| <b>Total AFS fixed maturity securities</b>        | <b>\$ 78,723,857</b>   | <b>\$ (268,712)</b>      | <b>\$ 367,025</b> | <b>\$ (9,407,982)</b> | <b>\$ 69,414,188</b> |

(1) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of operations (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(2) Includes credit loss allowances on purchase-credit deteriorated fixed-maturity securities of \$(12.8) million.

| As of December 31, 2022                          | Cost or amortized cost | Allowance for Credit Losses (1)(2) | Gross unrealized |             | Fair value |
|--------------------------------------------------|------------------------|------------------------------------|------------------|-------------|------------|
|                                                  |                        |                                    | gains            | losses      |            |
| AFS fixed maturity securities portfolio by type: |                        |                                    |                  |             |            |
| U.S. government and agencies                     | \$ 438,931             | \$ —                               | \$ 304           | \$ (72,494) | \$ 366,741 |

|                                                  |                      |                     |                  |                        |                      |
|--------------------------------------------------|----------------------|---------------------|------------------|------------------------|----------------------|
| U.S. state, municipal and political subdivisions | 5,638,252            | —                   | 6,582            | (1,233,874)            | 4,410,960            |
| Corporate                                        | 44,253,062           | (1,298)             | 49,509           | (7,984,341)            | 36,316,932           |
| RMBS                                             | 7,307,526            | (100,554)           | 12,052           | (834,212)              | 6,384,812            |
| CMBS                                             | 7,269,662            | (14,490)            | 36               | (834,735)              | 6,420,473            |
| CBOs                                             | 3,051,850            | (426)               | —                | (217,773)              | 2,833,651            |
| CLOs                                             | 2,726,888            | (6,165)             | 127              | (200,160)              | 2,520,690            |
| ABSS                                             | 2,914,617            | (5,399)             | 4,702            | (228,650)              | 2,685,270            |
| <b>Total AFS fixed maturity securities</b>       | <b>\$ 73,600,788</b> | <b>\$ (128,332)</b> | <b>\$ 73,312</b> | <b>\$ (11,606,239)</b> | <b>\$ 61,939,529</b> |

(1) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of operations (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(2) Includes credit loss allowances on purchase-credit deteriorated fixed-maturity securities of \$(29.9) million.

| As of December 31, 2021                          | Cost or amortized cost | Allowance for Credit     | Gross unrealized |              | Fair value    |
|--------------------------------------------------|------------------------|--------------------------|------------------|--------------|---------------|
|                                                  |                        | Losses <sup>(1)(2)</sup> | gains            | losses       |               |
| AFS fixed maturity securities portfolio by type: |                        |                          |                  |              |               |
| U.S. government and agencies                     | \$ 785,144             | \$ —                     | \$ 4,171         | \$ (4,768)   | \$ 784,547    |
| U.S. state, municipal and political subdivisions | 5,122,651              | —                        | 42,286           | (55,240)     | 5,109,697     |
| Corporate                                        | 41,433,757             | (3,238)                  | 190,516          | (688,648)    | 40,932,387    |
| RMBS                                             | 7,703,030              | (50,975)                 | 126,662          | (113,359)    | 7,665,358     |
| CMBS                                             | 5,952,656              | (282)                    | 16,332           | (56,523)     | 5,912,183     |
| CBOs                                             | 3,111,620              | (22,160)                 | 6,862            | (27,466)     | 3,068,856     |
| CLOs                                             | 2,985,098              | (639)                    | 6,554            | (5,776)      | 2,985,237     |
| ABSs                                             | 2,425,540              | (10,839)                 | 19,990           | (22,070)     | 2,412,621     |
| Total AFS fixed maturity securities              | \$ 69,519,496          | \$ (88,133)              | \$ 413,373       | \$ (973,850) | \$ 68,870,886 |

(1) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of operations (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(2) Includes credit loss allowances on purchase-credit deteriorated fixed-maturity securities of \$(46.4) million.

Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties, or Global Atlantic may have the right to put or sell the obligations back to the issuers. **Structured securities are shown separately as they have periodic payments and are not due at a single maturity.**

## Notes to Financial Statements (Continued)

The maturity distribution for AFS fixed maturity securities is as follows:

| As of December 31, 2022               |                                       | Cost or amortized cost (net of allowance) | Fair value |
|---------------------------------------|---------------------------------------|-------------------------------------------|------------|
| As of December 31, 2023               |                                       |                                           |            |
| As of December 31, 2023               |                                       |                                           |            |
| As of December 31, 2023               |                                       | Cost or amortized cost (net of allowance) | Fair value |
| Due in one year or less               | Due in one year or less               | \$ 604,921                                | \$ 597,102 |
| Due after one year through five years | Due after one year through five years | 11,066,139                                | 10,472,837 |

|                                        |                                        |                     |                     |
|----------------------------------------|----------------------------------------|---------------------|---------------------|
| Due after five years through ten years | Due after five years through ten years | 9,624,879           | 8,715,144           |
| Due after ten years                    | Due after ten years                    | 29,033,008          | 21,309,550          |
| Subtotal                               | Subtotal                               | 50,328,947          | 41,094,633          |
| RMBS                                   | RMBS                                   | 7,206,972           | 6,384,812           |
| CMBS                                   | CMBS                                   | 7,255,172           | 6,420,473           |
| CBOs                                   | CBOs                                   | 3,051,424           | 2,833,651           |
| CLOs                                   | CLOs                                   | 2,720,723           | 2,520,690           |
| ABSS                                   | ABSS                                   | 2,909,218           | 2,685,270           |
| <b>Total</b>                           | <b>Total</b>                           | <b>\$73,472,456</b> | <b>\$61,939,529</b> |
| <b>AFS fixed maturity securities</b>   | <b>AFS fixed maturity securities</b>   |                     |                     |

Purchased credit deteriorated securities

Certain securities purchased by Global Atlantic were assessed at acquisition as having experienced a more-than-insignificant deterioration in credit quality since their origination. These securities are identified as PCD, and a reconciliation of the difference between the purchase price and the par value of these PCD securities is below:

|                                                                     |                                                                     | Years Ended December 31, |             |
|---------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------|-------------|
|                                                                     |                                                                     | 2022                     | 2021        |
| Years Ended December 31,                                            |                                                                     | Years Ended December 31, |             |
| 2023                                                                |                                                                     | 2023                     | 2022        |
| Purchase price of PCD securities acquired during the current period | Purchase price of PCD securities acquired during the current period | \$24,005                 | \$1,734,352 |
| Allowance for credit losses at acquisition                          | Allowance for credit losses at acquisition                          | 707                      | 128,967     |
| Discount (premium) attributable to other factors                    | Discount (premium) attributable to other factors                    | 1,710                    | 311,729     |
| Discount attributable to other factors                              | Discount attributable to other factors                              |                          |             |
| Par value                                                           | Par value                                                           | \$26,422                 | \$2,175,048 |

Securities in a continuous unrealized loss position

The following tables provide information about AFS fixed maturity securities that have been continuously in an unrealized loss position:

| As of December 31, 2022 | Less than 12 months |                   | 12 months or more |                   | Total             |                   |
|-------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                         | Fair value          | Unrealized losses | Fair value        | Unrealized losses | Fair value        | Unrealized losses |
|                         | Less than 12 months |                   |                   |                   |                   |                   |
|                         | Less than 12 months |                   |                   |                   |                   |                   |
|                         | Less than 12 months |                   |                   |                   | 12 months or more | Total             |

| As of<br>December<br>31, 2023                                                          |                                                                                        |              |               |              |               |              |                | As of December<br>31, 2023 | Fair<br>value | Unrealized<br>losses | Fair<br>value | Unrealized<br>losses | Fair<br>value | Unrealized<br>losses |
|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------|---------------|--------------|---------------|--------------|----------------|----------------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|
| AFS fixed<br>maturity<br>securities<br>portfolio by<br>type:                           | AFS fixed<br>maturity<br>securities<br>portfolio by<br>type:                           |              |               |              |               |              |                |                            |               |                      |               |                      |               |                      |
| U.S. government and<br>agencies                                                        |                                                                                        |              |               |              |               |              |                |                            |               |                      |               |                      |               |                      |
| U.S. government and<br>agencies                                                        |                                                                                        |              |               |              |               |              |                |                            |               |                      |               |                      |               |                      |
| U.S.<br>government<br>and agencies                                                     | U.S.<br>government<br>and agencies                                                     | \$ 122,272   | \$ (52,639)   | \$ 108,498   | \$ (19,855)   | \$ 230,770   | \$ (72,494)    |                            |               |                      |               |                      |               |                      |
| U.S. state,<br>municipal<br>and political<br>subdivisions                              | U.S. state,<br>municipal<br>and political<br>subdivisions                              | 2,321,404    | (605,698)     | 1,780,984    | (628,176)     | 4,102,388    | (1,233,874)    |                            |               |                      |               |                      |               |                      |
| Corporate                                                                              | Corporate                                                                              | 14,792,384   | (2,114,695)   | 17,943,907   | (5,869,646)   | 32,736,291   | (7,984,341)    |                            |               |                      |               |                      |               |                      |
| RMBS                                                                                   | RMBS                                                                                   | 3,998,737    | (442,543)     | 2,068,529    | (391,669)     | 6,067,266    | (834,212)      |                            |               |                      |               |                      |               |                      |
| CBOs                                                                                   | CBOs                                                                                   | 1,351,552    | (103,499)     | 1,482,099    | (114,274)     | 2,833,651    | (217,773)      |                            |               |                      |               |                      |               |                      |
| CMBS                                                                                   | CMBS                                                                                   | 4,054,053    | (445,168)     | 2,338,517    | (389,567)     | 6,392,570    | (834,735)      |                            |               |                      |               |                      |               |                      |
| CLOs                                                                                   | CLOs                                                                                   | 1,862,608    | (139,766)     | 636,014      | (60,394)      | 2,498,622    | (200,160)      |                            |               |                      |               |                      |               |                      |
| ABSs                                                                                   | ABSs                                                                                   | 1,610,876    | (113,285)     | 832,635      | (115,365)     | 2,443,511    | (228,650)      |                            |               |                      |               |                      |               |                      |
| Total AFS<br>fixed<br>maturity<br>securities<br>in a<br>continuous<br>loss<br>position | Total AFS<br>fixed<br>maturity<br>securities<br>in a<br>continuous<br>loss<br>position | \$30,113,886 | \$(4,017,293) | \$27,191,183 | \$(7,588,946) | \$57,305,069 | \$(11,606,239) |                            |               |                      |               |                      |               |                      |

Notes to Financial Statements (Continued)

|                                                  |                                                  | Less than 12 months |                   | 12 months or more |                   | Total                   |                   |                   |            |                   |            |                   |  |
|--------------------------------------------------|--------------------------------------------------|---------------------|-------------------|-------------------|-------------------|-------------------------|-------------------|-------------------|------------|-------------------|------------|-------------------|--|
|                                                  |                                                  | Fair value          | Unrealized losses | Fair value        | Unrealized losses | Fair value              | Unrealized losses |                   |            |                   |            |                   |  |
| As of December 31, 2021                          |                                                  |                     |                   |                   |                   |                         |                   |                   |            |                   |            |                   |  |
|                                                  |                                                  | Less than 12 months |                   |                   |                   |                         |                   |                   |            |                   |            |                   |  |
|                                                  |                                                  | Less than 12 months |                   |                   |                   |                         |                   |                   |            |                   |            |                   |  |
|                                                  |                                                  | Less than 12 months |                   |                   |                   |                         |                   |                   |            |                   |            |                   |  |
|                                                  |                                                  |                     |                   |                   |                   | 12 months or more       |                   | Total             |            |                   |            |                   |  |
| As of December 31, 2022                          |                                                  |                     |                   |                   |                   |                         |                   |                   |            |                   |            |                   |  |
|                                                  |                                                  |                     |                   |                   |                   | As of December 31, 2022 | Fair value        | Unrealized losses | Fair value | Unrealized losses | Fair value | Unrealized losses |  |
| AFS fixed maturity securities portfolio by type: | AFS fixed maturity securities portfolio by type: |                     |                   |                   |                   |                         |                   |                   |            |                   |            |                   |  |
| U.S. government and agencies                     |                                                  |                     |                   |                   |                   |                         |                   |                   |            |                   |            |                   |  |
| U.S. government and agencies                     |                                                  |                     |                   |                   |                   |                         |                   |                   |            |                   |            |                   |  |

|                                                                          |                                                                          |                     |                    |             |             |                     |                    |
|--------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------|--------------------|-------------|-------------|---------------------|--------------------|
| U.S. government and agencies                                             | U.S. government and agencies                                             | \$ 311,096          | \$ (4,768)         | \$ —        | \$ —        | \$ 311,096          | \$ (4,768)         |
| U.S. state, municipal and political subdivisions                         | U.S. state, municipal and political subdivisions                         | 2,802,309           | (55,240)           | —           | —           | 2,802,309           | (55,240)           |
| Corporate                                                                | Corporate                                                                | 30,385,514          | (688,648)          | —           | —           | 30,385,514          | (688,648)          |
| RMBS                                                                     | RMBS                                                                     | 3,196,876           | (113,359)          | —           | —           | 3,196,876           | (113,359)          |
| CBOs                                                                     | CBOs                                                                     | 2,152,790           | (27,466)           | —           | —           | 2,152,790           | (27,466)           |
| CMBS                                                                     | CMBS                                                                     | 3,405,774           | (56,523)           | —           | —           | 3,405,774           | (56,523)           |
| CLOs                                                                     | CLOs                                                                     | 1,172,330           | (5,776)            | —           | —           | 1,172,330           | (5,776)            |
| ABSS                                                                     | ABSS                                                                     | 1,348,356           | (22,070)           | —           | —           | 1,348,356           | (22,070)           |
| <b>Total AFS fixed maturity securities in a continuous loss position</b> | <b>Total AFS fixed maturity securities in a continuous loss position</b> | <b>\$44,775,045</b> | <b>\$(973,850)</b> | <b>\$ —</b> | <b>\$ —</b> | <b>\$44,775,045</b> | <b>\$(973,850)</b> |

Unrealized gains and losses can be created by changing interest rates or several other factors, including changing credit spreads. Global Atlantic had gross unrealized losses on below investment grade AFS fixed maturity securities of \$836.3 million \$694.6 million and \$77.0 million \$836.3 million as of December 31, 2022 December 31, 2023 and 2021 2022, respectively. The single largest unrealized loss on AFS fixed maturity securities was \$60.4 million \$53.4 million and \$7.3 million \$60.4 million as of December 31, 2022 December 31, 2023 and 2021 2022, respectively. Global Atlantic had 6,328 5,886 and 4,370 6,328 securities in an unrealized loss position as of December 31, 2022 December 31, 2023 and 2021 2022, respectively.

As of December 31, 2022 December 31, 2023, AFS fixed maturity securities in an unrealized loss position for 12 months or more consisted of 3,234 5,053 debt securities. These debt securities primarily relate to Corporate, RMBS, and U.S. state, municipal and political subdivisions fixed maturity securities, which have depressed values due primarily to an increase in interest rates since the purchase of these securities. Unrealized losses were not recognized in net income on these debt securities since there are no specific securities that, as of the balance sheet date, Global Atlantic neither intends to sell or believes the securities nor does it believe that it is more likely than not that it will be required to sell these securities before recovery of their cost or amortized cost basis. For securities with significant declines in value, individual security level analysis was performed utilizing underlying collateral default expectations, market data, and industry analyst reports.

#### Mortgage and other loan receivables

Mortgage and other loan receivables consist of the following:

|                                           |                                           | December 31, 2022 | December 31, 2021 |                   |
|-------------------------------------------|-------------------------------------------|-------------------|-------------------|-------------------|
|                                           | December 31, 2023                         |                   |                   | December 31, 2022 |
| Commercial mortgage loans <sup>(1)</sup>  | Commercial mortgage loans <sup>(1)</sup>  | \$18,830,780      | \$13,824,772      |                   |
| Residential mortgage loans <sup>(1)</sup> | Residential mortgage loans <sup>(1)</sup> | 10,688,972        | 8,724,904         |                   |
| Consumer loans                            | Consumer loans                            | 5,228,534         | 5,617,925         |                   |
| Other loan receivables <sup>(2)</sup>     |                                           | 902,640           | 1,083,235         |                   |
| (3)                                       |                                           |                   |                   |                   |
| Other loan receivables <sup>(2)</sup>     |                                           |                   |                   |                   |
| Total mortgage and other loan receivables | Total mortgage and other loan receivables | 35,650,926        | 29,250,836        |                   |

|                                                                                      |                     |                     |
|--------------------------------------------------------------------------------------|---------------------|---------------------|
| Allowance for credit losses <sup>(4)</sup>                                           | (560,228)           | (374,077)           |
| <b>Total mortgage and other loan receivables, net of allowance for loan losses</b>   | <b>\$35,090,698</b> | <b>\$28,876,759</b> |
| Allowance for credit losses <sup>(3)</sup>                                           |                     |                     |
| <b>Total mortgage and other loan receivables, net of allowance for credit losses</b> |                     |                     |

- (1) Includes \$787.5 million \$697.4 million and \$805.4 million \$787.5 million of loans carried at fair value using the fair value option as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively. The fair value option was elected for these loans for asset-liability matching purposes. These loans had unpaid principal balances of \$871.2 million \$785.2 million and \$794.1 million \$871.2 million as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively.
- (2) As of December 31, 2022 December 31, 2023 and 2021, 2022, other loan receivables consisted primarily of loans collateralized by aircraft of \$282.3 million \$315.4 million and \$850.1 million \$282.3 million, respectively, respectively, and loans collateralized by residential mortgages of \$200.0 million for both December 31, 2023 and 2022.
- (3) Includes a \$27.3 million loan to a related party renewable energy developer, carried at fair value using the fair value option as of December 31, 2021. This loan had an unpaid principal balance of \$27.3 million as of December 31, 2021.
- (4) Includes credit loss allowances on purchase-credit deteriorated mortgage and other loan receivables of \$(106.2) \$(91.7) million and \$(77.9) \$(106.2) million as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively.

## Notes to Financial Statements (Continued)

The maturity distribution for residential and commercial mortgage loans was as follows as of December 31, 2022 December 31, 2023:

| Years               | Years        | Residential         | Commercial          | Total mortgage loans | Years | Residential | Commercial | Total mortgage loans |
|---------------------|--------------|---------------------|---------------------|----------------------|-------|-------------|------------|----------------------|
| 2023                |              | \$ 178,323          | \$ 1,615,198        | \$ 1,793,521         |       |             |            |                      |
| 2024                | 2024         | 504,410             | 2,328,346           | 2,832,756            |       |             |            |                      |
| 2025                | 2025         | 16,045              | 3,668,931           | 3,684,976            |       |             |            |                      |
| 2026                | 2026         | 919,299             | 3,386,558           | 4,305,857            |       |             |            |                      |
| 2027                | 2027         | 814,581             | 2,843,214           | 3,657,795            |       |             |            |                      |
| 2028 and thereafter |              |                     | 4,988,533           | 13,244,847           |       |             |            |                      |
|                     |              | 8,256,314           |                     |                      |       |             |            |                      |
| 2028                |              |                     |                     |                      |       |             |            |                      |
| Thereafter          |              |                     |                     |                      |       |             |            |                      |
| <b>Total</b>        | <b>Total</b> | <b>\$10,688,972</b> | <b>\$18,830,780</b> | <b>\$29,519,752</b>  |       |             |            |                      |

Actual maturities could differ from contractual maturities, because borrowers may have the right to prepay (with or without prepayment penalties) and loans may be refinanced.

Global Atlantic diversifies its mortgage loan portfolio by both geographic region and property type to reduce concentration risk. The following tables present the mortgage loans by geographic region and property type:

|                                                             |                          |                          |
|-------------------------------------------------------------|--------------------------|--------------------------|
| <b>Mortgage loans - carrying value by geographic region</b> | <b>December 31, 2022</b> | <b>December 31, 2021</b> |
|-------------------------------------------------------------|--------------------------|--------------------------|



| Mortgage loans – carrying value by geographic region |                                   |                     |                |                     |                | December 31, 2023                 |                      |                | December 31, 2022    |                |                |
|------------------------------------------------------|-----------------------------------|---------------------|----------------|---------------------|----------------|-----------------------------------|----------------------|----------------|----------------------|----------------|----------------|
| Mortgage loans – carrying value by geographic region |                                   |                     |                |                     |                |                                   |                      |                |                      |                |                |
| Pacific                                              | Pacific                           | \$ 7,197,110        | 24.4 %         | \$ 6,675,064        | 29.6 %         | Pacific                           | \$ 8,649,256         | 25.0 %         | \$ 7,197,110         | 24.4 %         | 24.4 %         |
| West South Central                                   | West South Central                | 3,582,648           | 12.1 %         | 2,675,890           | 11.9 %         | West South Central                | 4,202,501            | 12.2 %         | 3,582,648            | 12.1 %         | 12.1 %         |
| South Atlantic                                       | South Atlantic                    | 8,051,653           | 27.3 %         | 4,996,043           | 22.2 %         | South Atlantic                    | 9,653,955            | 27.9 %         | 8,051,653            | 27.3 %         | 27.3 %         |
| Middle Atlantic                                      | Middle Atlantic                   | 3,590,530           | 12.2 %         | 3,142,973           | 13.9 %         | Middle Atlantic                   | 4,436,129            | 12.8 %         | 3,590,530            | 12.2 %         | 12.2 %         |
| East North Central                                   | East North Central                | 1,240,264           | 4.2 %          | 590,911             | 2.6 %          | East North Central                | 1,166,460            | 3.4 %          | 1,240,264            | 4.2 %          | 4.2 %          |
| Mountain                                             | Mountain                          | 3,152,895           | 10.7 %         | 1,957,099           | 8.7 %          | Mountain                          | 3,262,801            | 9.4 %          | 3,152,895            | 10.7 %         | 10.7 %         |
| New England                                          | New England                       | 1,414,897           | 4.8 %          | 1,099,157           | 4.9 %          | New England                       | 1,470,741            | 4.3 %          | 1,414,897            | 4.8 %          | 4.8 %          |
| East South Central                                   | East South Central                | 712,886             | 2.4 %          | 1,035,764           | 4.6 %          | East South Central                | 731,053              | 2.1 %          | 712,886              | 2.4 %          | 2.4 %          |
| West North Central                                   | West North Central                | 349,079             | 1.2 %          | 350,546             | 1.6 %          | West North Central                | 358,609              | 1.0 %          | 349,079              | 1.2 %          | 1.2 %          |
| Other regions                                        | Other regions                     | 227,790             | 0.7 %          | 26,229              | — %            | Other regions                     | 652,518              | 1.9 %          | 227,790              | 0.7 %          | 0.7 %          |
| <b>Total by geographic region</b>                    | <b>Total by geographic region</b> | <b>\$29,519,752</b> | <b>100.0 %</b> | <b>\$22,549,676</b> | <b>100.0 %</b> | <b>Total by geographic region</b> | <b>\$ 34,584,023</b> | <b>100.0 %</b> | <b>\$ 29,519,752</b> | <b>100.0 %</b> | <b>100.0 %</b> |

Mortgage loans - carrying value by property type

| Mortgage loans – carrying value by property type |                               |                     |                |                     |                | December 31, 2023             |                      |                | December 31, 2022    |                |                |
|--------------------------------------------------|-------------------------------|---------------------|----------------|---------------------|----------------|-------------------------------|----------------------|----------------|----------------------|----------------|----------------|
| Mortgage loans – carrying value by property type |                               |                     |                |                     |                |                               |                      |                |                      |                |                |
| Residential                                      | Residential                   | \$10,688,972        | 36.2 %         | \$ 8,724,904        | 38.7 %         | Residential                   | \$12,722,778         | 36.8 %         | \$ 10,688,972        | 36.2 %         | 36.2 %         |
| Office building                                  | Office building               | 4,594,238           | 15.6 %         | 4,185,146           | 18.6 %         | Office building               | 4,586,277            | 13.3 %         | 4,594,238            | 15.6 %         | 15.6 %         |
| Apartment                                        |                               | 9,698,728           | 32.9 %         | 6,194,819           | 27.5 %         |                               |                      |                |                      |                |                |
| Multi-family                                     | Multi-family                  |                     |                |                     |                | Multi-family                  | 11,495,638           | 33.2 %         | 9,698,728            | 32.9 %         |                |
| Industrial                                       | Industrial                    | 3,139,163           | 10.6 %         | 1,981,713           | 8.8 %          | Industrial                    | 4,415,819            | 12.8 %         | 3,139,163            | 10.6 %         | 10.6 %         |
| Retail                                           | Retail                        | 630,455             | 2.1 %          | 780,071             | 3.5 %          | Retail                        | 493,596              | 1.4 %          | 630,455              | 2.1 %          | 2.1 %          |
| Warehouse                                        | Warehouse                     |                     |                |                     |                | Warehouse                     | 291,116              | 0.8 %          | 185,717              | 0.6 %          |                |
| Other property types                             | Other property types          | 582,479             | 2.0 %          | 483,560             | 2.1 %          | Other property types          | 578,799              | 1.7 %          | 582,479              | 2.0 %          | 2.0 %          |
| Warehouse                                        |                               | 185,717             | 0.6 %          | 199,463             | 0.8 %          |                               |                      |                |                      |                |                |
| <b>Total by property type</b>                    | <b>Total by property type</b> | <b>\$29,519,752</b> | <b>100.0 %</b> | <b>\$22,549,676</b> | <b>100.0 %</b> | <b>Total by property type</b> | <b>\$ 34,584,023</b> | <b>100.0 %</b> | <b>\$ 29,519,752</b> | <b>100.0 %</b> | <b>100.0 %</b> |

As of December 31, 2022, December 31, 2023 and 2021, 2022, Global Atlantic had \$192.3 million, \$510.9 million and \$202.7 million of mortgage loans that were 90 days or more past due or are in the process of foreclosure, respectively, and have been classified as non-income producing (non-accrual status). Global Atlantic ceases accrual of interest on loans that are more than 90 days past due or are in the process of foreclosure and recognizes income as cash is received. As of December 31, 2022 and 2021, there were \$192.3 million and \$202.7 million of mortgage loans that were non-income producing, respectively.

As of December 31, 2022 and 2021, less than 1% and 1%, respectively, of residential mortgage loans have been granted forbearance for reasons including COVID-19. This forbearance, which generally involves a 3-month period in which payments are not required (though must subsequently be made up), is not considered to result in troubled debt restructurings for the years ended December 31, 2022 and 2021. Interest continues to accrue on loans in temporary forbearance.

As of December 31, 2022 and 2021, Global Atlantic had \$10.2 million and \$5.1 million of consumer loans that were delinquent by more than 120 days or in default, respectively.

## Notes to Financial Statements (Continued)

### Purchased credit deteriorated loans

Certain residential mortgage loans purchased by Global Atlantic were assessed at acquisition as having experienced a more-than-insignificant deterioration in credit quality since their origination. These loans are identified as PCD, and a reconciliation of the difference between the purchase price and the par value of these PCD loans is below:

|                                                                | Year Ended December 31, |                  |
|----------------------------------------------------------------|-------------------------|------------------|
|                                                                | 2021                    |                  |
| Purchase price of PCD loans acquired during the current period | \$                      | 4,231,426        |
| Allowance for credit losses at acquisition                     |                         | 121,895          |
| Discount (premium) attributable to other factors               |                         | (136,174)        |
| <b>Par value</b>                                               | <b>\$</b>               | <b>4,217,147</b> |

### Credit quality indicators

#### Mortgage and loan receivable performance status

The following table represents the portfolio of mortgage and loan receivables by origination year and performance status as of December 31, 2022 December 31, 2023 and 2021; 2022:

| By year of origination                                |                        |             |              |            |             |             |             |              |                                            | By year of origination |      |      |      |      |       |       |
|-------------------------------------------------------|------------------------|-------------|--------------|------------|-------------|-------------|-------------|--------------|--------------------------------------------|------------------------|------|------|------|------|-------|-------|
| Performance status as of December 31, 2023            |                        |             |              |            |             |             |             |              | Performance status as of December 31, 2023 | 2023                   | 2022 | 2021 | 2020 | 2019 | Prior | Total |
| Commercial mortgage loans                             |                        |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |
| Current-period gross charge-offs                      |                        |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |
| Current-period gross charge-offs                      |                        |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |
| Current-period gross charge-offs                      |                        |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |
|                                                       | December 31,           |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |
| Performance status as of December 31, 2022            | 2022                   | 2021        | 2020         | 2019       | 2018        | Prior       | Total       |              |                                            |                        |      |      |      |      |       |       |
| Commercial mortgage loans                             |                        |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |
| Current                                               |                        |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |
| Current                                               |                        |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |
| Current                                               | Current                | \$6,081,261 | \$ 6,845,839 | \$ 809,254 | \$1,529,897 | \$1,260,593 | \$2,303,936 | \$18,830,780 |                                            |                        |      |      |      |      |       |       |
| 30 to 59 days past due                                | 30 to 59 days past due | —           | —            | —          | —           | —           | —           | —            |                                            |                        |      |      |      |      |       |       |
| 60 to 89 days past due                                | 60 to 89 days past due | —           | —            | —          | —           | —           | —           | —            |                                            |                        |      |      |      |      |       |       |
| Over 90 days past due                                 | Over 90 days past due  | —           | —            | —          | —           | —           | —           | —            |                                            |                        |      |      |      |      |       |       |
| 90 days or more past due or in process of foreclosure |                        |             |              |            |             |             |             |              |                                            |                        |      |      |      |      |       |       |

|                                                       |                                  |              |              |             |              |              |              |               |
|-------------------------------------------------------|----------------------------------|--------------|--------------|-------------|--------------|--------------|--------------|---------------|
| Total commercial mortgage loans                       | Total commercial mortgage loans  | \$ 6,081,261 | \$ 6,845,839 | \$ 809,254  | \$ 1,529,897 | \$ 1,260,593 | \$ 2,303,936 | \$ 18,830,780 |
| Residential mortgage loans                            | Residential mortgage loans       |              |              |             |              |              |              |               |
| Current-period gross charge-offs                      |                                  |              |              |             |              |              |              |               |
| Current-period gross charge-offs                      |                                  |              |              |             |              |              |              |               |
| Current-period gross charge-offs                      |                                  |              |              |             |              |              |              |               |
| Current                                               |                                  |              |              |             |              |              |              |               |
| Current                                               |                                  |              |              |             |              |              |              |               |
| Current                                               | Current                          | \$1,855,038  | \$ 4,802,333 | \$1,879,606 | \$ 264,050   | \$ 13,670    | \$1,485,244  | \$10,299,941  |
| 30 to 59 days past due                                | 30 to 59 days past due           | 10,534       | 49,169       | 6,144       | 6,471        | —            | 80,357       | 152,675       |
| 60 to 89 days past due                                | 60 to 89 days past due           | 796          | 13,143       | 2,016       | 955          | —            | 27,114       | 44,024        |
| Over 90 days past due                                 | Over 90 days past due            | 7,598        | 35,978       | 11,483      | 8,389        | 2,438        | 126,446      | 192,332       |
| 90 days or more past due or in process of foreclosure |                                  |              |              |             |              |              |              |               |
| Total residential mortgage loans                      | Total residential mortgage loans | \$1,873,966  | \$ 4,900,623 | \$1,899,249 | \$ 279,865   | \$ 16,108    | \$1,719,161  | \$10,688,972  |
| Consumer loans                                        |                                  |              |              |             |              |              |              |               |
| Current-period gross charge-offs                      |                                  |              |              |             |              |              |              |               |
| Current-period gross charge-offs                      |                                  |              |              |             |              |              |              |               |
| Current-period gross charge-offs                      |                                  |              |              |             |              |              |              |               |
| Total mortgage loans                                  |                                  | \$7,955,227  | \$11,746,462 | \$2,708,503 | \$1,809,762  | \$1,276,701  | \$4,023,097  | \$29,519,752  |
| Current                                               |                                  |              |              |             |              |              |              |               |
| Current                                               |                                  |              |              |             |              |              |              |               |
| Current                                               |                                  |              |              |             |              |              |              |               |
| 30 to 59 days past due                                |                                  |              |              |             |              |              |              |               |
| 60 to 89 days past due                                |                                  |              |              |             |              |              |              |               |
| 90 days or more past due or in process of foreclosure |                                  |              |              |             |              |              |              |               |
| Total consumer loans                                  |                                  |              |              |             |              |              |              |               |

Total  
mortgage  
and  
consumer  
loan  
receivables

Notes to Financial Statements (Continued)

|                                                                |                                          | December 31,                                  |              |              |              |            |              |               |
|----------------------------------------------------------------|------------------------------------------|-----------------------------------------------|--------------|--------------|--------------|------------|--------------|---------------|
| Performance status as of<br>December 31, 2021                  |                                          | 2021                                          | 2020         | 2019         | 2018         | 2017       | Prior        | Total         |
| By year of origination                                         |                                          |                                               |              |              |              |            |              |               |
| By year of origination                                         |                                          |                                               |              |              |              |            |              |               |
| By year of origination                                         |                                          |                                               |              |              |              |            |              |               |
| Performance<br>status as of<br>December<br>31, 2022            |                                          | Performance status as of<br>December 31, 2022 |              |              |              |            |              |               |
|                                                                |                                          | 2022                                          | 2021         | 2020         | 2019         | 2018       | Prior        | Total         |
| Commercial<br>mortgage<br>loans                                | Commercial<br>mortgage<br>loans          |                                               |              |              |              |            |              |               |
| Current                                                        |                                          |                                               |              |              |              |            |              |               |
| Current                                                        |                                          |                                               |              |              |              |            |              |               |
| Current                                                        | Current                                  | \$ 6,831,655                                  | \$ 976,369   | \$ 1,883,908 | \$ 1,373,865 | \$ 817,954 | \$ 1,941,021 | \$ 13,824,772 |
| 30 to 59 days<br>past due                                      | 30 to 59 days<br>past due                | —                                             | —            | —            | —            | —          | —            | —             |
| 60 to 89 days<br>past due                                      | 60 to 89 days<br>past due                | —                                             | —            | —            | —            | —          | —            | —             |
| Over 90 days<br>past due                                       | Over 90 days<br>past due                 | —                                             | —            | —            | —            | —          | —            | —             |
| 90 days or<br>more past due<br>or in process<br>of foreclosure |                                          |                                               |              |              |              |            |              |               |
| Total<br>commercial<br>mortgage<br>loans                       | Total<br>commercial<br>mortgage<br>loans | \$ 6,831,655                                  | \$ 976,369   | \$ 1,883,908 | \$ 1,373,865 | \$ 817,954 | \$ 1,941,021 | \$ 13,824,772 |
| Residential<br>mortgage<br>loans                               | Residential<br>mortgage<br>loans         |                                               |              |              |              |            |              |               |
| Current                                                        | Current                                  | \$ 4,505,537                                  | \$ 1,576,342 | \$ 393,153   | \$ 123,995   | \$ 65,070  | \$ 1,711,156 | \$ 8,375,253  |
| Current                                                        |                                          |                                               |              |              |              |            |              |               |
| Current                                                        |                                          |                                               |              |              |              |            |              |               |
| 30 to 59 days<br>past due                                      | 30 to 59 days<br>past due                | 24,955                                        | 6,028        | 5,818        | 1,155        | 739        | 75,104       | 113,799       |
| 60 to 89 days<br>past due                                      | 60 to 89 days<br>past due                | 4,247                                         | 1,243        | 607          | —            | —          | 27,028       | 33,125        |
| Over 90 days<br>past due                                       | Over 90 days<br>past due                 | 5,305                                         | 14,272       | 21,985       | 2,686        | —          | 158,479      | 202,727       |
| 90 days or<br>more past due<br>or in process<br>of foreclosure |                                          |                                               |              |              |              |            |              |               |

|                                  |                                  |              |             |             |             |           |             |              |
|----------------------------------|----------------------------------|--------------|-------------|-------------|-------------|-----------|-------------|--------------|
| Total residential mortgage loans | Total residential mortgage loans | \$ 4,540,044 | \$1,597,885 | \$ 421,563  | \$ 127,836  | \$ 65,809 | \$1,971,767 | \$ 8,724,904 |
| Total mortgage loans             | Total mortgage loans             | \$11,371,699 | \$2,574,254 | \$2,305,471 | \$1,501,701 | \$883,763 | \$3,912,788 | \$22,549,676 |

#### Total mortgage loans

#### Total mortgage loans

The following table represents the portfolio of consumer loan receivables by performance status:

| Performance status          | December 31, 2022   | December 31, 2021   |
|-----------------------------|---------------------|---------------------|
| <b>Consumer loans</b>       |                     |                     |
| Current                     | \$ 5,113,507        | \$ 5,556,923        |
| 30 to 59 days past due      | 62,742              | 34,048              |
| 60 to 89 days past due      | 31,371              | 16,817              |
| Over 90 days past due       | 20,914              | 10,137              |
| <b>Total consumer loans</b> | <b>\$ 5,228,534</b> | <b>\$ 5,617,925</b> |

| Performance status                                    | December 31, 2022   |
|-------------------------------------------------------|---------------------|
| <b>Consumer loans</b>                                 |                     |
| Current                                               | \$ 5,113,507        |
| 30 to 59 days past due                                | 62,742              |
| 60 to 89 days past due                                | 31,371              |
| 90 days or more past due or in process of foreclosure | 20,914              |
| <b>Total consumer loans</b>                           | <b>\$ 5,228,534</b> |

#### Loan-to-value ratio on mortgage loans

The loan-to-value ratio is expressed as a percentage of the current amount of the loan relative to the value of the underlying collateral. The following table summarizes the Global Atlantic's loan-to-value ratios for its commercial mortgage loans as of December 31, 2022, December 31, 2023 and 2021: 2022:

| Loan-to-value as of December 31, 2022, by year of origination | Carrying value loan-to-value 70% and less | Carrying value loan-to-value 71% - 90% | Carrying value loan-to-value over 90% | Total carrying value |
|---------------------------------------------------------------|-------------------------------------------|----------------------------------------|---------------------------------------|----------------------|
| Loan-to-value as of December 31, 2023, by year of origination |                                           |                                        |                                       |                      |
| Loan-to-value as of December 31, 2023, by year of origination |                                           |                                        |                                       |                      |
| Loan-to-value as of December 31, 2023, by year of origination |                                           |                                        |                                       |                      |
| 2023                                                          |                                           |                                        |                                       |                      |
| 2022                                                          | 2022 \$ 5,677,763                         | \$ 403,498                             | \$ —                                  | \$ 6,081,261         |
| 2021                                                          | 2021 4,971,346                            | 1,758,748                              | 115,745                               | 6,845,839            |
| 2020                                                          | 2020 650,825                              | 123,343                                | 35,086                                | 809,254              |
| 2019                                                          | 2019 1,211,523                            | 215,050                                | 103,324                               | 1,529,897            |
| 2018                                                          | 2018 1,061,566                            | 18,885                                 | 180,142                               | 1,260,593            |
| 2017                                                          | 699,144                                   | —                                      | 18,160                                | 717,304              |
| Prior                                                         | Prior 1,586,632                           | —                                      | —                                     | 1,586,632            |
| <b>Total commercial mortgage loans</b>                        | <b>Total \$15,858,799</b>                 | <b>\$2,519,524</b>                     | <b>\$452,457</b>                      | <b>\$18,830,780</b>  |

# Notes to Financial Statements (Continued)

|                                                               |                           | Carrying value loan-to-value | Carrying value loan-to-value | Carrying value loan-to-value | Total carrying value |
|---------------------------------------------------------------|---------------------------|------------------------------|------------------------------|------------------------------|----------------------|
| Loan-to-value as of December 31, 2021, by year of origination |                           | 70% and less                 | 71% - 90%                    | 90% over                     |                      |
| Loan-to-value as of December 31, 2022, by year of origination |                           |                              |                              |                              |                      |
| Loan-to-value as of December 31, 2022, by year of origination |                           |                              |                              |                              |                      |
| Loan-to-value as of December 31, 2022, by year of origination |                           | Carrying value loan-to-value | Carrying value loan-to-value | Carrying value loan-to-value | Total carrying value |
|                                                               |                           | 70% and less                 | 71% - 90%                    | over 90%                     |                      |
| 2022                                                          |                           |                              |                              |                              |                      |
| 2021                                                          | 2021                      | \$ 4,910,170                 | \$1,921,485                  | \$ —                         | \$ 6,831,655         |
| 2020                                                          | 2020                      | 819,406                      | 121,997                      | 34,966                       | 976,369              |
| 2019                                                          | 2019                      | 1,747,656                    | 136,252                      | —                            | 1,883,908            |
| 2018                                                          | 2018                      | 1,324,807                    | 49,058                       | —                            | 1,373,865            |
| 2017                                                          | 2017                      | 772,989                      | 44,965                       | —                            | 817,954              |
| 2016                                                          |                           | 425,926                      | 2,440                        | —                            | 428,366              |
| Prior                                                         | Prior                     | 1,497,503                    | 15,152                       | —                            | 1,512,655            |
| Total                                                         | Total                     | \$11,498,457                 | \$2,291,349                  | \$34,966                     | \$13,824,772         |
| commercial mortgage loans                                     | commercial mortgage loans |                              |                              |                              |                      |

Changing economic conditions and updated assumptions affect Global Atlantic's assessment of the valuation collectibility of commercial mortgage loans. Changing vacancies and rents are incorporated into the discounted cash flow analysis that Global Atlantic performs for monitored loans and may contribute to measure the establishment of (or increase or decrease in) a commercial mortgage loan valuation allowance for credit losses. In addition, Global Atlantic continuously monitors its commercial mortgage loan portfolio to identify risk. Areas of emphasis are properties that have exposure to specific geographic events or have deteriorating credit.

The weighted average loan-to-value ratio for the Global Atlantic's residential mortgage loans was 64% 63% and 68% 64% as of December 31, 2022 December 31, 2023 and 2021 2022, respectively.

## Loan modifications

Global Atlantic may modify the terms of a loan when the borrower is experiencing financial difficulties, as a means to optimize recovery of amounts due on the loan. Modifications may involve temporary relief, such as payment forbearance for a short period time (where interest continues to accrue) or may involve more substantive changes to a loan. Changes to the terms of a loan, pursuant to a modification agreement, are factored into the analysis of the loan's expected credit losses, under the allowance model applicable to the loan.

For commercial mortgage loans, modifications for borrowers experiencing financial difficulty are tailored for individual loans and may include interest rate relief, maturity extensions or, less frequently, principal forgiveness. For both residential mortgage loans and consumer loans, the most common modifications for borrowers experiencing financial difficulty, aside from insignificant delays in payment, typically involve deferral of missed payments to the end of the loan term, interest rate relief, or maturity extensions.

The table below presents the carrying value of loans to borrowers experiencing financial difficulty, for which modifications have been granted during the year ended December 31, 2023.

| Year ended December 31, 2023 by loan type | Deferral of Amounts |                      |                    |                            | Percentage of total carrying value outstanding |        |
|-------------------------------------------|---------------------|----------------------|--------------------|----------------------------|------------------------------------------------|--------|
|                                           | Due                 | Interest Rate Relief | Maturity Extension | Combination <sup>(1)</sup> | Total                                          |        |
| Commercial mortgage loans                 | \$ —                | \$ —                 | \$ —               | \$ 478,836                 | \$ 478,836                                     | 2.19 % |
| Residential mortgage loans                | 1,371               | 1,206                | 25,130             | 8,145                      | 35,852                                         | 0.28 % |
| Consumer loans                            | 6,515               | 3,768                | 48,568             | 18,465                     | 77,316                                         | 1.75 % |
| Total <sup>(2)</sup>                      | \$ 7,886            | \$ 4,974             | \$ 73,698          | \$ 505,446                 | \$ 592,004                                     |        |

(1) Includes modifications involving deferral of amounts due, interest rate relief and/or maturity extension.

(2) Loans may have been modified more than once during the year; in this circumstance, the loan is only included once in this table. In addition, certain loans that were modified in prior quarters have since been repaid in full.

All of the commercial mortgage loans that had a combination of modifications had both interest rate relief and maturity extensions. For these loans, the interest rate relief generally involved either a change from a floating rate or a decrease in fixed rate to a weighted average rate of 3.6%. The maturity extensions for these loans added a weighted-average of 2.5 years to the life of the loans. In addition, one of the commercial mortgage loans that had a combination of modifications had forgiveness of a portion of the principal due. Global Atlantic has commitments to lend additional funds of \$93.8 million for the modified commercial mortgage loans disclosed above.

## Notes to Financial Statements (Continued)

The table below presents the performance status of the loans modified during the year ended December 31, 2023.

| Performance status as of December 31, 2023 by loan type | 90 days or more past due or in process of foreclosure |                     |                     |                  |                   |
|---------------------------------------------------------|-------------------------------------------------------|---------------------|---------------------|------------------|-------------------|
|                                                         | Current                                               | 30-59 days past due | 60-89 days past due | foreclosure      | Total             |
| Commercial mortgage loans                               | \$ 478,836                                            | \$ —                | \$ —                | \$ —             | \$ 478,836        |
| Residential mortgage loans                              | 17,852                                                | 5,804               | 217                 | 11,979           | 35,852            |
| Consumer loans                                          | 64,583                                                | 9,207               | 2,452               | 1,074            | 77,316            |
| <b>Total</b>                                            | <b>\$ 561,271</b>                                     | <b>\$ 15,011</b>    | <b>\$ 2,669</b>     | <b>\$ 13,053</b> | <b>\$ 592,004</b> |

## Other investments

Other investments consist of the following:

|                                                                      |                                                                      | December 31, 2022    | December 31, 2021   |
|----------------------------------------------------------------------|----------------------------------------------------------------------|----------------------|---------------------|
| December 31, 2023                                                    |                                                                      | December 31, 2023    |                     |
|                                                                      |                                                                      | December 31, 2022    |                     |
| Investments in real estate <sup>(1)</sup>                            | Investments in real estate <sup>(1)</sup>                            | \$ 4,641,429         | \$ 1,564,853        |
| Investments in renewable energy <sup>(2)</sup>                       | Investments in renewable energy <sup>(2)</sup>                       | 3,427,062            | 3,573,811           |
| Investments in transportation and other leased assets <sup>(3)</sup> | Investments in transportation and other leased assets <sup>(3)</sup> | 2,821,602            | 2,663,759           |
| Other investment partnerships                                        | Other investment partnerships                                        | 197,378              | 234,301             |
| FHLB common stock and other investments                              |                                                                      | 287,185              | 171,842             |
| Federal Home Loan Bank (FHLB) common stock and other investments     |                                                                      |                      |                     |
| <b>Total other investments</b>                                       | <b>Total other investments</b>                                       | <b>\$ 11,374,656</b> | <b>\$ 8,208,566</b> |

(1) Investments in real estate are held in consolidated investment companies that use fair value accounting.

(2) Net of accumulated depreciation attributed to consolidated renewable energy assets of \$229.7 million \$154.1 million and \$156.8 million \$229.7 million as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively.

(3) Net of accumulated depreciation of \$230.2 million \$313.6 million and \$105.1 million \$230.2 million as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively.



The total amount of other investments accounted for using the equity method of accounting was \$1.1 billion \$143.3 million and \$1.2 billion \$1.1 billion as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively. Global Atlantic's maximum exposure to loss related to these equity method investments is limited to the carrying value of these investments plus unfunded commitments of \$21.0 million \$19.7 million and \$22.4 million \$21.0 million as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively.

In addition, Global Atlantic has investments that would otherwise require the equity method of accounting for which the fair value option has been elected. The carrying amount of these investments was \$264.9 million \$175.3 million and \$147.8 million \$264.9 million as of December 31, 2022 December 31, 2023 and 2021, respectively.

#### Funding agreements

Certain Global Atlantic subsidiaries are members of regional banks in the FHLB system. These subsidiaries have also entered into funding agreements with their respective FHLB. The funding agreements are issued in exchange for cash. The funding agreements require that Global Atlantic pledge eligible assets, such as commercial mortgage loans, as collateral. With respect to certain classes of eligible assets, the FHLB holds the pledged eligible assets in custody at the respective FHLB. The liabilities for the funding agreements are included in policy liabilities in the consolidated statements of financial condition.

Information related to the FHLB investment and funding agreements as of December 31, 2022 and 2021 is as follows:

#### Notes to Financial Statements (Continued)

|                   | Funding agreements issued to FHLB member |                   |                     |                     |                     |                     |
|-------------------|------------------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
|                   | Investment in common stock               |                   | banks               |                     | Collateral          |                     |
|                   | December 31, 2022                        | December 31, 2021 | December 31, 2022   | December 31, 2021   | December 31, 2022   | December 31, 2021   |
| FHLB Indianapolis | \$ 79,073                                | \$ 80,640         | \$ 1,606,262        | \$ 1,619,765        | \$ 2,309,054        | \$ 2,577,698        |
| FHLB Des Moines   | 31,120                                   | 34,600            | 536,338             | 620,006             | 823,735             | 1,004,530           |
| FHLB Boston       | 19,065                                   | 22,520            | 321,695             | 326,639             | 437,780             | 553,384             |
| <b>Total</b>      | <b>\$ 129,258</b>                        | <b>\$ 137,760</b> | <b>\$ 2,464,295</b> | <b>\$ 2,566,410</b> | <b>\$ 3,570,569</b> | <b>\$ 4,135,612</b> |

In addition, in January 2021, Global Atlantic launched an inaugural funding agreement backed note ("FABN") program, through which GA Global Funding Trust, a special purpose statutory trust, was established to offer its senior secured medium-term notes. Net proceeds from each sale of the aforementioned notes are used to purchase one or more funding agreements from Forethought Life Insurance Company, an insurance subsidiary of Global Atlantic. As of December 31, 2022 and 2021, Global Atlantic had \$5.5 billion and \$3.5 billion of such funding agreements outstanding, with \$4.5 billion and \$6.5 billion of remaining capacity under the program, 2022, respectively.

#### Repurchase agreement transactions

As of December 31, 2022 December 31, 2023 and 2021, 2022, Global Atlantic participated in third-party repurchase agreements with a notional value of \$798.9 million \$1.4 billion and \$300.4 million \$798.9 million, respectively. As collateral for these transactions, as of December 31, 2022 and 2021, Global Atlantic posted typically posts AFS fixed maturity securities with a fair value and amortized cost of \$833.6 million and \$1.1 billion, and \$313.0 million and \$317.0 million, respectively, residential mortgage loans, which are included in Insurance - Investments in the consolidated statements of financial condition. The gross obligation for repurchase agreements is reported in other liabilities in the consolidated statements of financial condition.

#### Notes to Financial Statements (Continued)

The fair carrying value of securities assets pledged for repurchase agreements by class type of collateral and remaining contractual maturity of the repurchase agreements as of December 31, 2022 December 31, 2023 and 2021, 2022 is presented in the following tables:

| As of December 31, 2022 | Overnight   | <30 Days    | 30 - 90 Days      | > 90 Days         | Total             |
|-------------------------|-------------|-------------|-------------------|-------------------|-------------------|
| Corporate Securities    | \$ —        | \$ —        | \$ 507,656        | \$ 325,912        | \$ 833,568        |
| <b>Total borrowing</b>  | <b>\$ —</b> | <b>\$ —</b> | <b>\$ 507,656</b> | <b>\$ 325,912</b> | <b>\$ 833,568</b> |

| As of December 31, 2023     | Overnight   | <30 Days         | 30 - 90 Days      | > 90 Days         | Total               |
|-----------------------------|-------------|------------------|-------------------|-------------------|---------------------|
| AFS corporate securities    | \$ —        | \$ —             | \$ 524,411        | \$ 849,368        | \$ 1,373,779        |
| Residential mortgage loans  | —           | 39,289           | —                 | —                 | 39,289              |
| <b>Total assets pledged</b> | <b>\$ —</b> | <b>\$ 39,289</b> | <b>\$ 524,411</b> | <b>\$ 849,368</b> | <b>\$ 1,413,068</b> |

| As of December 31, 2021 | Overnight   | <30 Days    | 30 - 90 Days | > 90 Days         | Total             |
|-------------------------|-------------|-------------|--------------|-------------------|-------------------|
| Corporate Securities    | \$ —        | \$ —        | \$ —         | \$ 312,965        | \$ 312,965        |
| <b>Total borrowing</b>  | <b>\$ —</b> | <b>\$ —</b> | <b>\$ —</b>  | <b>\$ 312,965</b> | <b>\$ 312,965</b> |

| As of December 31, 2022  | Overnight | <30 Days | 30 - 90 Days | > 90 Days  | Total      |
|--------------------------|-----------|----------|--------------|------------|------------|
| AFS corporate securities | \$ —      | \$ —     | \$ 507,656   | \$ 325,912 | \$ 833,568 |
| Total assets pledged     | \$ —      | \$ —     | \$ 507,656   | \$ 325,912 | \$ 833,568 |

#### Other pledges and restrictions

Certain Global Atlantic subsidiaries are members of regional banks in the FHLB system and such membership requires the members to own stock in these FHLBs. Global Atlantic owns an aggregate of \$131.7 million and \$129.3 million (accounted for at cost basis) of stock in FHLBs as of December 31, 2023 and 2022, respectively. In addition, Global Atlantic insurance company subsidiaries have entered into funding agreements with the FHLB, which require that Global Atlantic pledge eligible assets, such as fixed maturity securities and mortgage loans, as collateral. Assets pledged as collateral for these funding agreements had a carrying value of \$3.6 billion as of both December 31, 2023 and 2022.

#### Insurance – statutory deposits

As of December 31, 2022, December 31, 2023 and December 31, 2021, 2022, the cost or amortized cost and fair carrying value of the assets on deposit with various state and U.S. governmental authorities were \$185.2 million, \$148.5 million and \$142.7 million, and \$182.6 million and \$180.8 million, respectively.

### Notes to Financial Statements (Continued)

## 9.8. DERIVATIVES

### Asset Management

KKR and certain of its consolidated funds have entered into derivative transactions as part of their overall risk management for the asset management business and investment strategies. These derivative contracts are not designated as hedging instruments for accounting purposes. Such contracts may include forward, swap and option contracts related to foreign currencies and interest rates to manage foreign exchange risk and interest rate risk arising from certain assets and liabilities. All derivatives are recognized in Other Assets or Accrued Expenses and Other Liabilities and are presented on a gross basis in the consolidated statements of financial condition and measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. KKR's derivative financial instruments contain credit risk to the extent that its counterparties may be unable to meet the terms of the agreements. KKR attempts to reduce this risk by limiting its counterparties to major financial institutions with strong credit ratings.

### Insurance

Global Atlantic holds derivative instruments that are primarily used in its hedge program. Global Atlantic has established a hedge program that seeks to mitigate economic impacts primarily from interest rate and equity price movements, while taking into consideration accounting and capital impacts.

Global Atlantic hedges interest rate and equity market risks associated with its insurance liabilities including fixed-indexed annuities, indexed universal life policies, variable annuity policies and variable universal life policies, among others. For fixed-indexed annuities and indexed universal life policies, Global Atlantic generally seeks to use static hedges to offset the exposure primarily created by changes in its embedded derivative balances. Global Atlantic generally purchases options which replicate the crediting rate strategies, often in the form of call spreads. Call spreads are the purchase of a call option matched by the sale of a different call option. For variable annuities and variable universal life policies, Global Atlantic generally seeks to dynamically hedge its exposure to changes in the value of the guarantee it provides to policyholders. Doing so requires the active trading of several financial instruments to respond to changes in market conditions. In addition, Global Atlantic enters into inflation swaps to manage inflation risk associated with inflation-indexed preneed policies.

In the context of specific reinsurance transactions in the institutional channel or acquisitions, Global Atlantic may also enter into hedges which are designed to limit short-term market risks to the economic value of the target assets. From time to time, Global Atlantic also enters into hedges designed to mitigate interest rate and credit risk in investment income, interest expense, and fair value of assets and liabilities. In addition, Global Atlantic enters into currency swaps and forwards to manage any foreign exchange rate risks that may arise from investments denominated in foreign currencies.

Global Atlantic attempts to mitigate the risk of loss due to ineffectiveness under these derivative investments through a regular monitoring process which evaluates the program's effectiveness. Global Atlantic is exposed to risk of loss in the event of non-performance by the counterparties and, accordingly, all option contracts are purchased from counterparties that have been evaluated for creditworthiness. All of these counterparties are nationally recognized financial institutions with a Moody's or S&P investment-grade credit rating. Global Atlantic monitors its derivative activities by reviewing portfolio activities and risk levels. Global Atlantic also oversees all derivative transactions to ensure that the types of transactions entered into and the results obtained from those transactions are consistent with both Global Atlantic's risk management strategy and its policies and procedures.

The restricted cash which was held in connection with open derivative transactions with exchange brokers was \$278.7 million, \$133.0 million and \$151.1 million, \$278.7 million as of December 31, 2022, December 31, 2023 and 2021, 2022, respectively.

Global Atlantic also has embedded derivatives related to reinsurance contracts that are accounted for on a modified coinsurance and funds withheld basis. An embedded derivative exists because the arrangement exposes the reinsurer to third-party credit risk. These embedded derivatives are included in funds withheld receivable and payable at interest in the consolidated statements of financial condition.

### Credit Risk

Global Atlantic may be exposed to credit-related losses in the event of nonperformance by its counterparties to derivatives. Generally, the current credit exposure of Global Atlantic's derivatives is limited to the positive fair value of derivatives less any collateral received from the counterparty.

Global Atlantic manages the credit risk on its derivatives by entering into derivative transactions with highly rated financial institutions and other creditworthy counterparties and, where feasible, by trading through central clearing counterparties. Global Atlantic further manages its credit risk on derivatives via the use of master netting agreements, which require the daily posting of collateral by the party in a liability position. Counterparty credit exposure and collateral values are monitored regularly and

## Notes to Financial Statements (Continued)

measured against counterparty exposure limits. The provisions of derivative transactions may allow for the termination and settlement of a transaction if there is a downgrade to Global Atlantic's financial strength ratings below a specified level.

The fair value and notional value of the derivative assets and liabilities were as follows:

| As of December 31, 2023                                          | Notional<br>Value    | Derivative<br>Assets | Derivative<br>Liabilities |
|------------------------------------------------------------------|----------------------|----------------------|---------------------------|
| <i>Asset Management</i>                                          |                      |                      |                           |
| Foreign Exchange Contracts and Options                           | \$ 15,771,463        | \$ 264,621           | \$ 441,608                |
| Other Derivatives                                                | 374,604              | 4,792                | 2,382                     |
| Total Asset Management                                           | \$ 16,146,067        | \$ 269,413           | \$ 443,990                |
| <i>Insurance</i>                                                 |                      |                      |                           |
| Derivatives designated as hedge accounting instruments:          |                      |                      |                           |
| Interest rate contracts                                          | \$ 7,320,500         | \$ —                 | \$ 372,212                |
| Foreign currency contracts                                       | 2,302,335            | 24,278               | 73,478                    |
| Total derivatives designated as hedge accounting instruments     | \$ 9,622,835         | \$ 24,278            | \$ 445,690                |
| Derivatives not designated as hedge accounting instruments:      |                      |                      |                           |
| Interest rate contracts                                          | \$ 22,259,423        | \$ 284,067           | \$ 306,244                |
| Equity market contracts                                          | 35,203,206           | 1,480,875            | 248,127                   |
| Foreign currency contracts                                       | 1,331,345            | 65,803               | 56,616                    |
| Credit risk contracts                                            | 60,000               | —                    | 600                       |
| Total derivatives not designated as hedge accounting instruments | \$ 58,853,974        | \$ 1,830,745         | \$ 611,587                |
| Impact of netting <sup>(2)</sup>                                 | —                    | (1,809,329)          | (911,080)                 |
| Total Insurance <sup>(1)</sup>                                   | \$ 68,476,809        | \$ 45,694            | \$ 146,197                |
| <b>Fair value included within total assets and liabilities</b>   | <b>\$ 84,622,876</b> | <b>\$ 315,107</b>    | <b>\$ 590,187</b>         |

<sup>(1)</sup> Excludes embedded derivatives. The fair value of these embedded derivatives related to assets was \$88.7 million and the fair value of these embedded derivatives related to liabilities was \$1.6 billion as of December 31, 2023.

<sup>(2)</sup> Represents netting of derivative exposures covered by qualifying master netting agreements.

| As of December 31, 2022                                      | Notional<br>Value | Derivative<br>Assets | Derivative<br>Liabilities |
|--------------------------------------------------------------|-------------------|----------------------|---------------------------|
| <i>Asset Management</i>                                      |                   |                      |                           |
| Foreign Exchange Contracts and Options                       | \$ 16,144,795     | \$ 668,716           | \$ 406,746                |
| Other Derivatives                                            | 125,000           | 7,519                | 11,018                    |
| Total Asset Management                                       | \$ 16,269,795     | \$ 676,235           | \$ 417,764                |
| <i>Insurance</i>                                             |                   |                      |                           |
| Derivatives designated as hedge accounting instruments:      |                   |                      |                           |
| Interest rate contracts                                      | \$ 6,999,000      | \$ —                 | \$ 695,296                |
| Foreign currency contracts                                   | 2,021,061         | 42,557               | 44,238                    |
| Total derivatives designated as hedge accounting instruments | \$ 9,020,061      | \$ 42,557            | \$ 739,534                |
| Derivatives not designated as hedge accounting instruments:  |                   |                      |                           |
| Interest rate contracts                                      | \$ 8,700,253      | \$ 182,734           | \$ 267,033                |

|                                                                  |                      |                     |                     |
|------------------------------------------------------------------|----------------------|---------------------|---------------------|
| Equity market contracts                                          | 34,889,122           | 626,391             | 91,344              |
| Foreign currency contracts                                       | 675,390              | 84,883              | 47,442              |
| Credit risk contracts                                            | 60,000               | —                   | 929                 |
| Total derivatives not designated as hedge accounting instruments | \$ 44,324,765        | \$ 894,008          | \$ 406,748          |
| Impact of netting <sup>(2)</sup>                                 | —                    | (212,175)           | (212,175)           |
| Total Insurance <sup>(1)</sup>                                   | \$ 53,344,826        | \$ 724,390          | \$ 934,107          |
| <b>Fair value included within total assets and liabilities</b>   | <b>\$ 69,614,621</b> | <b>\$ 1,400,625</b> | <b>\$ 1,351,871</b> |

#### Notes to Financial Statements (Continued)

(1) Excludes embedded derivatives. The fair value of these embedded derivatives related to assets was \$12.8 million and the fair value of these embedded derivatives related to liabilities was \$(1.3) billion as of December 31, 2022.

(2) Represents netting of derivative exposures covered by qualifying master netting agreements.

#### Derivatives designated as accounting hedges

Where Global Atlantic has derivative instruments that are designated and qualify as accounting hedges, these derivative instruments receive hedge accounting.

#### Notes to Financial Statements (Continued)

Global Atlantic has designated interest rate swaps to hedge the interest rate risk associated with the \$500.0 million senior unsecured notes due 2029, \$650.0 million senior unsecured notes due 2031, FHLB and FABN funding agreement liabilities in fair value hedges. The 2029 Senior Notes and 2031 Senior Notes are reported in debt and FHLB and FABN funding agreement liabilities are reported in policy liabilities in the consolidated statements of financial condition and are hedged through their respective maturities. These hedges qualify for the shortcut method of assessing hedge effectiveness.

The following table represents the gains (losses) recognized on derivative instruments and related hedged items in fair value hedging relationship:

| Year Ended December 31, 2022       | Derivatives | Hedged items | Net  |
|------------------------------------|-------------|--------------|------|
| 2029 Senior Notes                  | \$ (70,382) | \$ 70,382    | \$ — |
| 2031 Senior Notes                  | (107,473)   | 107,473      | —    |
| FHLB funding agreement liabilities | (47,266)    | 47,266       | —    |
| FABN liabilities                   | (335,110)   | 335,110      | —    |

| Year Ended December 31, 2021       | Derivatives | Hedged items | Net  |
|------------------------------------|-------------|--------------|------|
| 2029 Senior Notes                  | \$ (18,808) | \$ 18,808    | \$ — |
| 2031 Senior Notes                  | (5,561)     | 5,561        | —    |
| FHLB funding agreement liabilities | (16,092)    | 16,092       | —    |

The following table represents the carrying values and cumulative fair value adjustments for hedged items reflected there-in:

|                                    | As of December 31, 2022 |                                                           | As of December 31, 2021 |                                            |
|------------------------------------|-------------------------|-----------------------------------------------------------|-------------------------|--------------------------------------------|
|                                    | Carrying value          | Cumulative fair value of hedge adjustments <sup>(1)</sup> | Carrying value          | Cumulative fair value of hedge adjustments |
| 2029 Senior Notes                  | \$ 408,295              | \$ (89,180)                                               | \$ 473,890              | \$ (18,808)                                |
| 2031 Senior Notes                  | 537,578                 | (112,423)                                                 | 644,439                 | (5,561)                                    |
| FHLB funding agreement liabilities | 1,039,632               | (67,116)                                                  | 1,070,770               | (16,092)                                   |
| FABN liabilities                   | 4,631,252               | (368,378)                                                 | —                       | —                                          |

(1) Includes \$19.8 million and \$33.3 million of fair value hedge adjustments on discontinued hedges of FHLB and FABN liabilities, respectively, as of December 31, 2022.

Global Atlantic has designated bond forwards to hedge the interest rate risk associated with the planned purchase of AFS debt securities in cash flow hedges. Regression analysis is used to assess the effectiveness of these hedges. As of December 31, 2022 and 2021, there was a cumulative (loss) gain of \$(169.8) million and \$9.4 million on the bond forwards recorded in accumulated other comprehensive loss, respectively. Amounts deferred in accumulated other comprehensive loss are reclassified to net investment income following the qualifying purchases of AFS securities, as an adjustment to the yield earned over the life of the purchased securities, using the effective interest method. These arrangements are hedging purchases from July 2021 through December 2027 and are expected to affect earnings until 2052. There were \$266.8 million of securities purchased for the year ended December 31, 2022. As of December 31, 2022, a cumulative loss of \$(61.6) million on settled bond forward derivative hedge instruments, coinciding with the

purchase of hedged bonds, began to be reclassified into net investment income. Global Atlantic estimates that the amount of gains/losses in accumulated other comprehensive loss to be reclassified into earnings in the next 12 months will not be material.

Global Atlantic has designated foreign exchange forward purchase ("FX") derivative contracts, ("FX forwards") including forwards and swaps, to hedge the foreign currency risk associated with foreign currency-denominated bonds in fair value hedges. These foreign currency-denominated bonds are accounted for as AFS fixed maturity securities. Changes in the fair value of the hedged AFS fixed maturity securities due to changes in spot exchange rates are reclassified from AOCI to earnings, which offsets the earnings impact of the spot changes of the FX forwards, derivative contracts, both of which are recognized within investment-related gains (losses), gains. The effectiveness of these hedges is assessed using the spot method. Changes in the fair value of the FX forwards derivative contracts related to changes in the spot-forward difference are excluded from the assessment of hedge effectiveness and are deferred in AOCI and recognized in earnings using a systematic and rational method over the life of the FX forwards, derivative contracts.

Global Atlantic has designated interest rate swaps to hedge the interest rate risk associated with certain debt and policy liabilities. These fair value hedges qualify for the shortcut method of assessing hedge effectiveness.

The following table presents the financial statement classification, carrying amount and cumulative fair value hedging adjustments for qualifying hedged assets and liabilities:

|                                              | As of December 31, 2023                        |                                                                                                                                   | As of December 31, 2022                        |                                                                                                                                   |
|----------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
|                                              | Carrying amount of hedged assets/(liabilities) | Cumulative amount of fair value hedging adjustments included in the carrying amount of hedged assets/(liabilities) <sup>(1)</sup> | Carrying amount of hedged assets/(liabilities) | Cumulative amount of fair value hedging adjustments included in the carrying amount of hedged assets/(liabilities) <sup>(1)</sup> |
| AFS fixed maturity securities <sup>(2)</sup> | \$ 2,324,364                                   | \$ 80,210                                                                                                                         | \$ 2,010,748                                   | \$ (61,785)                                                                                                                       |
| Debt                                         | (1,608,294)                                    | (165,817)                                                                                                                         | (945,873)                                      | (201,603)                                                                                                                         |
| Policy liabilities                           | (4,380,048)                                    | (255,308)                                                                                                                         | (5,670,884)                                    | (435,494)                                                                                                                         |

(1) Includes \$27.8 million and \$53.1 million of hedging adjustments on discontinued hedging relationships as of December 31, 2023 and 2022, respectively.

(2) Carrying amount is the amortized cost for AFS debt securities.

Global Atlantic has designated bond forwards to hedge the interest rate risk associated with the planned purchase of AFS debt securities in cash flow hedges. These arrangements are hedging purchases from January 2024 through December 2027 and are expected to affect earnings until 2053. Regression analysis is used to assess the effectiveness of these hedges.

As of December 31, 2023 and 2022, there was a cumulative loss of \$(126.9) million and \$(169.8) million, respectively, on the currently designated bond forwards recorded in accumulated other comprehensive loss. Amounts deferred in accumulated other comprehensive loss are reclassified to net investment income following the qualifying purchases of AFS securities, as an adjustment to the yield earned over the life of the purchased securities, using the effective interest method.

Global Atlantic estimates that the amount of gains/losses in accumulated other comprehensive loss to be reclassified into earnings in the next 12 months will not be material.

## Notes to Financial Statements (Continued)

### Derivative results

The following table represents presents the financial statement classification and amount of gains (losses) recognized on derivative instruments and related hedged items, where applicable:

|                                                                     | Year ended December 31, 2023                  |                                       |                       |                                |                  |                |
|---------------------------------------------------------------------|-----------------------------------------------|---------------------------------------|-----------------------|--------------------------------|------------------|----------------|
|                                                                     | Net Gains (Losses) from Investment Activities | Net investment-related gains (losses) | Net investment income | Net policy benefits and claims | Interest expense | Change in AOCI |
| <b>Derivatives designated as hedge accounting instruments:</b>      |                                               |                                       |                       |                                |                  |                |
| <b>Fair value hedges</b>                                            |                                               |                                       |                       |                                |                  |                |
| Gains (losses) on derivatives designated as hedge instruments:      |                                               |                                       |                       |                                |                  |                |
| Interest rate contracts                                             | \$ —                                          | \$ —                                  | \$ —                  | \$ (53,870)                    | \$ (20,410)      | \$ —           |
| Foreign currency contracts                                          | —                                             | (88,384)                              | —                     | —                              | —                | 9,119          |
| Total gains (losses) on derivatives designated as hedge instruments | \$ —                                          | \$ (88,384)                           | \$ —                  | \$ (53,870)                    | \$ (20,410)      | \$ 9,119       |
| Gains (losses) on hedged items:                                     |                                               |                                       |                       |                                |                  |                |
| Interest rate contracts                                             | \$ —                                          | \$ —                                  | \$ —                  | \$ 53,870                      | \$ 20,410        | \$ —           |
| Foreign currency contracts                                          | —                                             | 80,210                                | —                     | —                              | —                | —              |
| Total gains (losses) on hedged items                                | \$ —                                          | \$ 80,210                             | \$ —                  | \$ 53,870                      | \$ 20,410        | \$ —           |

|                                                                                                              |    |           |    |             |    |         |    |        |
|--------------------------------------------------------------------------------------------------------------|----|-----------|----|-------------|----|---------|----|--------|
| Amortization for gains (losses) excluded from assessment of effectiveness:                                   |    |           |    |             |    |         |    |        |
| Foreign currency contracts                                                                                   | \$ | —         | \$ | 28,345      | \$ | —       | \$ | —      |
| Total amortization for gains (losses) excluded from assessment of effectiveness                              |    | —         |    | 28,345      |    | —       |    | —      |
| Total gains (losses) on fair value hedges, net of hedged items                                               | \$ | —         | \$ | 20,171      | \$ | —       | \$ | 9,119  |
| <b>Cash flow hedges</b>                                                                                      |    |           |    |             |    |         |    |        |
| Interest rate contracts                                                                                      | \$ | —         | \$ | —           | \$ | (1,381) | \$ | —      |
| Total gains (losses) on cash flow hedges                                                                     | \$ | —         | \$ | —           | \$ | (1,381) | \$ | —      |
| <b>Derivatives not designated as hedge accounting instruments:</b>                                           |    |           |    |             |    |         |    |        |
| <i>Asset Management</i>                                                                                      |    |           |    |             |    |         |    |        |
| Foreign Exchange Contracts and Options                                                                       | \$ | (156,624) | \$ | —           | \$ | —       | \$ | —      |
| Other Derivatives                                                                                            |    | 13,503    |    | —           |    | —       |    | —      |
| Total included in Net Gains (Losses) from Investment Activities                                              | \$ | (143,121) | \$ | —           | \$ | —       | \$ | —      |
| <i>Insurance</i>                                                                                             |    |           |    |             |    |         |    |        |
| Embedded derivatives - funds withheld receivable                                                             | \$ | —         | \$ | 75,876      | \$ | —       | \$ | —      |
| Embedded derivatives - funds withheld payable                                                                |    | —         |    | (1,040,463) |    | —       |    | —      |
| Equity index options                                                                                         |    | —         |    | 482,121     |    | —       |    | —      |
| Equity future contracts                                                                                      |    | —         |    | (116,766)   |    | —       |    | —      |
| Interest rate and foreign exchange contracts                                                                 |    | —         |    | (101,376)   |    | —       |    | —      |
| Credit risk contracts                                                                                        |    | —         |    | (280)       |    | —       |    | —      |
| Total gains (losses) on derivatives not designated as hedge accounting instruments from Insurance Activities | \$ | —         | \$ | (700,888)   | \$ | —       | \$ | —      |
| Total                                                                                                        | \$ | (143,121) | \$ | (680,717)   | \$ | (1,381) | \$ | 42,565 |

**Notes to the FX forwards hedging instruments: Financial Statements (Continued)**

|                                              | Years Ended December 31, |                      |
|----------------------------------------------|--------------------------|----------------------|
|                                              | 2022                     | 2021                 |
| <i>FX forward derivative:</i>                |                          |                      |
| Net investment-related gains (losses)        | \$ 64,945                | \$ 21,490            |
| AOCI                                         | (6,784)                  | 2,275                |
| Amortization - excluded component            | 14,737                   | 2,971                |
| <i>Hedged available-for-sale securities:</i> |                          |                      |
| Net investment-related gains (losses)        | (61,785)                 | (22,721)             |
|                                              | December 31,<br>2022     | December 31,<br>2021 |
| Notional value of foreign currency forward   | \$ 2,021,061             | \$ 1,192,412         |

|                                                                | Year ended December 31, 2022                        |                                              |                          |                                   |                  |                |
|----------------------------------------------------------------|-----------------------------------------------------|----------------------------------------------|--------------------------|-----------------------------------|------------------|----------------|
|                                                                | Net Gains (Losses)<br>from Investment<br>Activities | Net investment-<br>related gains<br>(losses) | Net investment<br>income | Net policy benefits<br>and claims | Interest expense | Change in AOCI |
| <b>Derivatives designated as hedge accounting instruments:</b> |                                                     |                                              |                          |                                   |                  |                |
| <b>Fair value hedges</b>                                       |                                                     |                                              |                          |                                   |                  |                |
| Gains (losses) on derivatives designated as hedge instruments: |                                                     |                                              |                          |                                   |                  |                |
| Interest rate contracts                                        | \$ —                                                | \$ —                                         | \$ —                     | \$ (382,376)                      | \$ (177,855)     | \$ —           |

|                                                                                                              |            |              |      |              |              |              |
|--------------------------------------------------------------------------------------------------------------|------------|--------------|------|--------------|--------------|--------------|
| Foreign currency contracts                                                                                   | —          | 64,945       | —    | —            | —            | (6,784)      |
| Total gains (losses) on derivatives designated as hedge instruments                                          | \$ —       | \$ 64,945    | \$ — | \$ (382,376) | \$ (177,855) | \$ (6,784)   |
| Gains (losses) on hedged items:                                                                              |            |              |      |              |              |              |
| Interest rate contracts                                                                                      | \$ —       | \$ —         | \$ — | \$ 382,376   | \$ 177,855   | \$ —         |
| Foreign currency contracts                                                                                   | —          | (61,785)     | —    | —            | —            | —            |
| Total gains (losses) on hedged items                                                                         | \$ —       | \$ (61,785)  | \$ — | \$ 382,376   | \$ 177,855   | \$ —         |
| Amortization for gains (losses) excluded from assessment of effectiveness:                                   |            |              |      |              |              |              |
| Foreign currency contracts                                                                                   | \$ —       | \$ 14,737    | \$ — | \$ —         | \$ —         | \$ —         |
| Total amortization for gains (losses) excluded from assessment of effectiveness                              | \$ —       | \$ 14,737    | \$ — | \$ —         | \$ —         | \$ —         |
| Total gains (losses) on fair value hedges, net of hedged items                                               | \$ —       | \$ 17,897    | \$ — | \$ —         | \$ —         | \$ (6,784)   |
| <b>Cash flow hedges</b>                                                                                      |            |              |      |              |              |              |
| Interest rate contracts                                                                                      | \$ —       | \$ 1,032     | \$ — | \$ —         | \$ —         | \$ (169,785) |
| Total gains (losses) on cash flow hedges                                                                     | \$ —       | \$ 1,032     | \$ — | \$ —         | \$ —         | \$ (169,785) |
| <b>Derivatives not designated as hedge accounting instruments:</b>                                           |            |              |      |              |              |              |
| <i>Asset Management</i>                                                                                      |            |              |      |              |              |              |
| Foreign Exchange Contracts and Options                                                                       | \$ 362,965 | \$ —         | \$ — | \$ —         | \$ —         | \$ —         |
| Other Derivatives                                                                                            | 6,790      | —            | —    | —            | —            | —            |
| Total included in Net Gains (Losses) from Investment Activities                                              | \$ 369,755 | \$ —         | \$ — | \$ —         | \$ —         | \$ —         |
| <i>Insurance</i>                                                                                             |            |              |      |              |              |              |
| Embedded derivatives - funds withheld receivable                                                             | \$ —       | \$ (29,390)  | \$ — | \$ —         | \$ —         | \$ —         |
| Embedded derivatives - funds withheld payable                                                                | —          | 3,448,710    | —    | —            | —            | —            |
| Equity index options                                                                                         | —          | (895,602)    | —    | —            | —            | —            |
| Equity future contracts                                                                                      | —          | 167,924      | —    | —            | —            | —            |
| Interest rate and foreign exchange contracts                                                                 | —          | (333,937)    | —    | —            | —            | —            |
| Credit risk contracts                                                                                        | —          | (108)        | —    | —            | —            | —            |
| Other                                                                                                        | —          | (29,779)     | —    | —            | —            | —            |
| Total gains (losses) on derivatives not qualifying as hedge accounting instruments from Insurance Activities | \$ —       | \$ 2,327,818 | \$ — | \$ —         | \$ —         | \$ —         |
| Total                                                                                                        | \$ 369,755 | \$ 2,346,747 | \$ — | \$ —         | \$ —         | \$ (176,569) |

#### Notes to Financial Statements (Continued)

|                                                                     | Year ended December 31, 2021                  |                                       |                       |                                |                  |                |
|---------------------------------------------------------------------|-----------------------------------------------|---------------------------------------|-----------------------|--------------------------------|------------------|----------------|
|                                                                     | Net Gains (Losses) from Investment Activities | Net investment-related gains (losses) | Net investment income | Net policy benefits and claims | Interest expense | Change in AOCI |
| <b>Derivatives designated as hedge accounting instruments:</b>      |                                               |                                       |                       |                                |                  |                |
| <b>Fair value hedges</b>                                            |                                               |                                       |                       |                                |                  |                |
| Gains (losses) on derivatives designated as hedge instruments:      |                                               |                                       |                       |                                |                  |                |
| Interest rate contracts                                             | \$ —                                          | \$ —                                  | \$ —                  | \$ (16,092)                    | \$ (24,369)      | \$ —           |
| Foreign currency contracts                                          | —                                             | 21,490                                | —                     | —                              | —                | 2,275          |
| Total gains (losses) on derivatives designated as hedge instruments | \$ —                                          | \$ 21,490                             | \$ —                  | \$ (16,092)                    | \$ (24,369)      | \$ 2,275       |
| Gains (losses) on hedged items:                                     |                                               |                                       |                       |                                |                  |                |
| Interest rate contracts                                             | \$ —                                          | \$ —                                  | \$ —                  | \$ 16,092                      | \$ 24,369        | \$ —           |
| Foreign currency contracts                                          | —                                             | (22,721)                              | —                     | —                              | —                | —              |



|                                                                                                              |            |             |      |           |           |          |
|--------------------------------------------------------------------------------------------------------------|------------|-------------|------|-----------|-----------|----------|
| Total gains (losses) on hedged items                                                                         | \$ —       | \$ (22,721) | \$ — | \$ 16,092 | \$ 24,369 | \$ —     |
| Amortization for gains (losses) excluded from assessment of effectiveness:                                   |            |             |      |           |           |          |
| Foreign currency contracts                                                                                   | \$ —       | \$ 2,971    | \$ — | \$ —      | \$ —      | \$ —     |
| Total amortization for gains (losses) excluded from assessment of effectiveness                              | \$ —       | \$ 2,971    | \$ — | \$ —      | \$ —      | \$ —     |
| Total gains (losses) on fair value hedges, net of hedged items                                               | \$ —       | \$ 1,740    | \$ — | \$ —      | \$ —      | \$ 2,275 |
| <b>Cash flow hedges</b>                                                                                      |            |             |      |           |           |          |
| Interest rate contracts                                                                                      | \$ —       | \$ 744      | \$ — | \$ —      | \$ —      | \$ 4,843 |
| Total gains (losses) on cash flow hedges                                                                     | \$ —       | \$ 744      | \$ — | \$ —      | \$ —      | \$ 4,843 |
| <b>Derivatives not designated as hedge accounting instruments:</b>                                           |            |             |      |           |           |          |
| <i>Asset Management</i>                                                                                      |            |             |      |           |           |          |
| Foreign Exchange Contracts and Options                                                                       | \$ 545,238 | \$ —        | \$ — | \$ —      | \$ —      | \$ —     |
| Other Derivatives                                                                                            | (77,034)   | —           | —    | —         | —         | —        |
| Total included in Net Gains (Losses) from Investment Activities                                              | \$ 468,204 | \$ —        | \$ — | \$ —      | \$ —      | \$ —     |
| <i>Insurance</i>                                                                                             |            |             |      |           |           |          |
| Embedded derivatives - funds withheld receivable                                                             | \$ —       | \$ 31,740   | \$ — | \$ —      | \$ —      | \$ —     |
| Embedded derivatives - funds withheld payable                                                                | —          | 49,491      | —    | —         | —         | —        |
| Equity index options                                                                                         | —          | 549,987     | —    | —         | —         | —        |
| Equity future contracts                                                                                      | —          | (263,637)   | —    | —         | —         | —        |
| Interest rate and foreign exchange contracts                                                                 | —          | (146,920)   | —    | —         | —         | —        |
| Credit risk contracts                                                                                        | —          | (400)       | —    | —         | —         | —        |
| Total gains (losses) on derivatives not qualifying as hedge accounting instruments from Insurance Activities | \$ —       | \$ 220,261  | \$ — | \$ —      | \$ —      | \$ —     |
| Total                                                                                                        | \$ 468,204 | \$ 222,745  | \$ — | \$ —      | \$ —      | \$ 7,118 |

#### Notes to Financial Statements (Continued)

#### Collateral

The fair value and notional value amount of the Global Atlantic's net derivative assets and liabilities after consideration of collateral received or pledged were as follows:

| As of December 31, 2022                                                 | Notional Value | Derivative Assets | Derivative Liabilities |
|-------------------------------------------------------------------------|----------------|-------------------|------------------------|
| <i>Asset Management</i>                                                 |                |                   |                        |
| Foreign Exchange Contracts and Options                                  | \$ 16,144,795  | \$ 668,716        | \$ 406,746             |
| Other Derivatives                                                       | 125,000        | 7,519             | 11,018                 |
| Total Asset Management                                                  |                | \$ 676,235        | \$ 417,764             |
| <i>Insurance</i>                                                        |                |                   |                        |
| Equity market contracts                                                 | \$ 34,889,122  | \$ 626,391        | \$ 91,344              |
| Interest rate contracts                                                 | 15,699,253     | 182,734           | 962,329                |
| Foreign currency contracts                                              | 2,696,451      | 127,440           | 91,680                 |
| Credit risk contracts                                                   | 60,000         | —                 | 929                    |
| Impact of netting <sup>(1)</sup>                                        |                | (212,175)         | (212,175)              |
| Fair value included within derivative assets and derivative liabilities |                | 724,390           | 934,107                |
| Embedded derivative – indexed universal life products                   |                | —                 | 337,860                |
| Embedded derivative – annuity products                                  |                | —                 | 1,855,366              |
| Fair value included within policy liabilities                           |                | —                 | 2,193,226              |
| Embedded derivative – funds withheld at interest                        |                | 12,785            | (3,487,766)            |
| Total Insurance                                                         |                | \$ 737,175        | \$ (360,433)           |

|                                                                |              |           |
|----------------------------------------------------------------|--------------|-----------|
| <b>Fair value included within total assets and liabilities</b> |              |           |
|                                                                | \$ 1,413,410 | \$ 57,331 |

|                                                         | Gross amount<br>recognized | Gross amounts offset<br>in the statements of<br>financial position <sup>(1)</sup> | Net amounts presented<br>in the statements of<br>financial condition | Collateral (received) /<br>pledged | Net amount after<br>collateral |
|---------------------------------------------------------|----------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------|--------------------------------|
| <b>As of December 31, 2023</b>                          |                            |                                                                                   |                                                                      |                                    |                                |
| Derivative assets (excluding embedded derivatives)      | \$ 1,855,023               | \$ (1,809,329)                                                                    | \$ 45,694                                                            | \$ (45,095)                        | \$ 599                         |
| Derivative liabilities (excluding embedded derivatives) | \$ 1,057,277               | \$ (911,080)                                                                      | \$ 146,197                                                           | \$ 167,973                         | \$ (21,776)                    |

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

|                                                         | Gross amount<br>recognized | Gross amounts offset<br>in the statements of<br>financial position <sup>(1)</sup> | Net amounts presented<br>in the statements of<br>financial condition | Collateral (received) /<br>pledged | Net amount after<br>collateral |
|---------------------------------------------------------|----------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------|--------------------------------|
| <b>As of December 31, 2022</b>                          |                            |                                                                                   |                                                                      |                                    |                                |
| Derivative assets (excluding embedded derivatives)      | \$ 936,565                 | \$ (212,175)                                                                      | \$ 724,390                                                           | \$ (466,371)                       | \$ 258,019                     |
| Derivative liabilities (excluding embedded derivatives) | \$ 1,146,282               | \$ (212,175)                                                                      | \$ 934,107                                                           | \$ 366,508                         | \$ 567,599                     |

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

### Notes to Financial Statements (Continued)

| As of December 31, 2021                                                 | Notional Value | Derivative<br>Assets | Derivative<br>Liabilities |
|-------------------------------------------------------------------------|----------------|----------------------|---------------------------|
| <i>Asset Management</i>                                                 |                |                      |                           |
| Foreign Exchange Contracts and Options                                  | \$ 12,822,521  | \$ 590,637           | \$ 319,511                |
| Other Derivatives                                                       | 505,725        | 491                  | 45,003                    |
| Total Asset Management                                                  |                | \$ 591,128           | \$ 364,514                |
| <i>Insurance</i>                                                        |                |                      |                           |
| Equity market contracts                                                 | \$ 31,294,053  | \$ 1,216,843         | \$ 186,754                |
| Interest rate contracts                                                 | 16,692,035     | 198,658              | 101,245                   |
| Foreign currency contracts                                              | 1,517,434      | 32,464               | 7,639                     |
| Credit risk contracts                                                   | 107,754        | —                    | 1,540                     |
| Impact of netting <sup>(1)</sup>                                        |                | (152,015)            | (152,015)                 |
| Fair value included within derivative assets and derivative liabilities |                | 1,295,950            | 145,163                   |
| Embedded derivative – indexed universal life products                   |                | —                    | 557,276                   |
| Embedded derivative – annuity products                                  |                | —                    | 1,983,949                 |
| Fair value included within policy liabilities                           |                | —                    | 2,541,225                 |
| Embedded derivative – funds withheld at interest                        |                | 31,740               | (49,491)                  |
| Total Insurance                                                         |                | \$ 1,327,690         | \$ 2,636,897              |
| <b>Fair value included within total assets and liabilities</b>          |                | <b>\$ 1,918,818</b>  | <b>\$ 3,001,411</b>       |

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

The amounts of derivative gains and losses recognized are reported in the consolidated statements of operations as follows:

| Derivative contracts not designated as hedges  | Years Ended December 31, |            |              |
|------------------------------------------------|--------------------------|------------|--------------|
|                                                | 2022                     | 2021       | 2020         |
| <i>Asset Management</i>                        |                          |            |              |
| Net Gains (Losses) from Investment Activities: |                          |            |              |
| Foreign Exchange Contracts and Options         | 362,965                  | \$ 545,238 | \$ (332,096) |

|                                                                 |              |            |              |
|-----------------------------------------------------------------|--------------|------------|--------------|
| Other Derivatives                                               | 6,790        | (77,034)   | (202,744)    |
| Total included in Net Gains (Losses) from Investment Activities | \$ 369,755   | \$ 468,204 | \$ (534,840) |
| <i>Insurance</i>                                                |              |            |              |
| Net investment-related gains (losses):                          |              |            |              |
| Funds withheld receivable embedded derivatives                  | \$ (29,390)  | \$ 31,740  | \$ —         |
| Funds withheld payable embedded derivatives                     | 3,448,710    | 49,491     | —            |
| Equity index options                                            | (895,602)    | 549,987    | —            |
| Equity future contracts                                         | 167,924      | (263,637)  | —            |
| Interest rate contracts and other                               | (333,937)    | (146,920)  | —            |
| Credit risk contracts                                           | (108)        | (400)      | —            |
| Other                                                           | (29,779)     | —          | —            |
| Total included in net investment-related gains (losses)         | \$ 2,327,818 | \$ 220,261 | \$ —         |

### Notes to Financial Statements (Continued)

| Derivative contracts designated as hedges               | Years Ended December 31, |             |      |
|---------------------------------------------------------|--------------------------|-------------|------|
|                                                         | 2022                     | 2021        | 2020 |
| <i>Insurance</i>                                        |                          |             |      |
| <b>Revenues</b>                                         |                          |             |      |
| Net investment-related gains (losses):                  |                          |             |      |
| Foreign currency forwards                               | \$ 18,929                | \$ 2,484    | \$ — |
| Total included in net investment-related gains (losses) | \$ 18,929                | \$ 2,484    | \$ — |
| <b>Expenses</b>                                         |                          |             |      |
| Net policy benefits and claims:                         |                          |             |      |
| Interest rate swaps                                     | \$ (438,707)             | \$ (16,177) | \$ — |
| Total included in net policy benefits and claims        | \$ (438,707)             | \$ (16,177) | \$ — |
| Interest expense:                                       |                          |             |      |
| Interest rate swaps                                     | \$ (179,259)             | \$ (15,069) | \$ — |
| Total included in interest expense                      | \$ (179,259)             | \$ (15,069) | \$ — |

The amount of Global Atlantic's net derivative assets and liabilities after consideration of collateral received or pledged were as follows:

| As of December 31, 2022                                 | Gross amount recognized | Gross amounts offset in the statements of financial position <sup>(1)</sup> | Net amounts presented in the statements of financial condition | Collateral (received) / pledged | Net amount after collateral |
|---------------------------------------------------------|-------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------|-----------------------------|
| Derivative assets (excluding embedded derivatives)      | \$ 936,565              | \$ (212,175)                                                                | \$ 724,390                                                     | \$ (466,371)                    | \$ 258,019                  |
| Derivative liabilities (excluding embedded derivatives) | \$ 1,146,282            | \$ (212,175)                                                                | \$ 934,107                                                     | \$ 366,508                      | \$ 567,599                  |

<sup>(1)</sup> Represents netting of derivative exposures covered by qualifying master netting agreements.

| As of December 31, 2021                                 | Gross amount recognized | Gross amounts offset in the statements of financial position <sup>(1)</sup> | Net amounts presented in the statements of financial condition | Collateral (received) / pledged | Net amount after collateral |
|---------------------------------------------------------|-------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------|-----------------------------|
| Derivative assets (excluding embedded derivatives)      | \$ 1,447,965            | \$ (152,015)                                                                | \$ 1,295,950                                                   | \$ (1,086,061)                  | \$ 209,889                  |
| Derivative liabilities (excluding embedded derivatives) | \$ 297,178              | \$ (152,015)                                                                | \$ 145,163                                                     | \$ 49,860                       | \$ 95,303                   |

<sup>(1)</sup> Represents netting of derivative exposures covered by qualifying master netting agreements.

### Notes to Financial Statements (Continued)

## 10.9. FAIR VALUE MEASUREMENTS

The following tables summarize the valuation of assets and liabilities measured and reported at fair value by the fair value hierarchy. Investments classified as Equity Method - Other, for which the fair value option has not been elected, and Equity Method - Capital Allocation-Based Income have been excluded from the tables below.

**Assets, at fair value:**

|                                                  |                                                  | December 31, 2022 |              |              |               | December 31, 2023 |          |           |       |
|--------------------------------------------------|--------------------------------------------------|-------------------|--------------|--------------|---------------|-------------------|----------|-----------|-------|
|                                                  |                                                  | Level I           | Level II     | Level III    | Total         | Level I           | Level II | Level III | Total |
| <b>Asset Management</b>                          | <b>Asset Management</b>                          |                   |              |              |               |                   |          |           |       |
| Private Equity                                   | Private Equity                                   |                   |              |              |               |                   |          |           |       |
| Private Equity                                   | Private Equity                                   |                   |              |              |               |                   |          |           |       |
| Private Equity                                   | Private Equity                                   | \$1,057,025       | \$ 213,706   | \$25,336,957 | \$ 26,607,688 |                   |          |           |       |
| Credit                                           | Credit                                           | 187,504           | 1,830,862    | 5,786,026    | 7,804,392     |                   |          |           |       |
| Investments of Consolidated CFEs                 | Investments of Consolidated CFEs                 | —                 | 22,492,366   | —            | 22,492,366    |                   |          |           |       |
| Real Assets                                      | Real Assets                                      | —                 | 961,254      | 17,015,112   | 17,976,366    |                   |          |           |       |
| Equity Method - Other                            | Equity Method - Other                            | 435,315           | 883,652      | 1,624,420    | 2,943,387     |                   |          |           |       |
| Other Investments                                | Other Investments                                | 395,972           | 63,060       | 3,334,366    | 3,793,398     |                   |          |           |       |
| Total Investments                                | Total Investments                                | \$2,075,816       | \$26,444,900 | \$53,096,881 | \$ 81,617,597 |                   |          |           |       |
| Foreign Exchange Contracts and Options           | Foreign Exchange Contracts and Options           |                   |              |              |               |                   |          |           |       |
| Foreign Exchange Contracts and Options           | Foreign Exchange Contracts and Options           |                   |              |              |               |                   |          |           |       |
| Foreign Exchange Contracts and Options           | Foreign Exchange Contracts and Options           | —                 | 668,716      | —            | 668,716       |                   |          |           |       |
| Other Derivatives                                | Other Derivatives                                | 9                 | 7,510        | —            | 7,519         |                   |          |           |       |
| Total Assets at Fair Value - Asset Management    | Total Assets at Fair Value - Asset Management    | \$2,075,825       | \$27,121,126 | \$53,096,881 | \$ 82,293,832 |                   |          |           |       |
| <b>Insurance</b>                                 | <b>Insurance</b>                                 |                   |              |              |               |                   |          |           |       |
| <b>Insurance</b>                                 | <b>Insurance</b>                                 |                   |              |              |               |                   |          |           |       |
| <b>Insurance</b>                                 | <b>Insurance</b>                                 |                   |              |              |               |                   |          |           |       |
| AFS fixed maturity securities:                   | AFS fixed maturity securities:                   |                   |              |              |               |                   |          |           |       |
| AFS fixed maturity securities:                   | AFS fixed maturity securities:                   |                   |              |              |               |                   |          |           |       |
| U.S. government and agencies                     | U.S. government and agencies                     |                   |              |              |               |                   |          |           |       |
| U.S. government and agencies                     | U.S. government and agencies                     | \$ 283,402        | \$ 83,339    | \$ —         | \$ 366,741    |                   |          |           |       |
| U.S. state, municipal and political subdivisions | U.S. state, municipal and political subdivisions | —                 | 4,410,960    | —            | 4,410,960     |                   |          |           |       |
| Corporate                                        | Corporate                                        | —                 | 28,006,275   | 8,310,657    | 36,316,932    |                   |          |           |       |
| Structured securities                            | Structured securities                            | —                 | 19,425,455   | 1,419,441    | 20,844,896    |                   |          |           |       |

|                                                  |                                                  |             |              |              |               |
|--------------------------------------------------|--------------------------------------------------|-------------|--------------|--------------|---------------|
| Total AFS fixed maturity securities              | Total AFS fixed maturity securities              | \$ 283,402  | \$51,926,029 | \$ 9,730,098 | \$ 61,939,529 |
| Trading fixed maturity securities:               | Trading fixed maturity securities:               |             |              |              |               |
| U.S. government and agencies                     | U.S. government and agencies                     | \$ 93,697   | \$ 59,940    | \$ —         | \$ 153,637    |
| U.S. government and agencies                     |                                                  |             |              |              |               |
| U.S. government and agencies                     |                                                  |             |              |              |               |
| U.S. state, municipal and political subdivisions | U.S. state, municipal and political subdivisions | —           | 705,836      | —            | 705,836       |
| Corporate                                        | Corporate                                        | —           | 7,218,354    | 672,023      | 7,890,377     |
| Structured securities                            | Structured securities                            | —           | 2,645,186    | 643,811      | 3,288,997     |
| Total trading fixed maturity securities          | Total trading fixed maturity securities          | \$ 93,697   | \$10,629,316 | \$ 1,315,834 | \$ 12,038,847 |
| Equity securities                                | Equity securities                                | 2,213       | —            | 16,286       | 18,499        |
| Mortgage and other loan receivables              | Mortgage and other loan receivables              | —           | —            | 787,515      | 787,515       |
| Other investments <sup>(3)</sup>                 | Other investments <sup>(3)</sup>                 | —           | —            | 4,883,441    | 4,883,441     |
| Other investments                                |                                                  |             |              |              |               |
| Funds withheld receivable at interest            | Funds withheld receivable at interest            | —           | —            | 12,785       | 12,785        |
| Reinsurance recoverable                          | Reinsurance recoverable                          | —           | —            | 981,775      | 981,775       |
| Derivative assets:                               | Derivative assets:                               |             |              |              |               |
| Equity market contracts                          | Equity market contracts                          | 31,025      | 595,366      | —            | 626,391       |
| Equity market contracts                          |                                                  |             |              |              |               |
| Equity market contracts                          |                                                  |             |              |              |               |
| Interest rate contracts                          | Interest rate contracts                          | 4,856       | 177,878      | —            | 182,734       |
| Foreign currency contracts                       | Foreign currency contracts                       | —           | 127,440      | —            | 127,440       |
| Impact of netting <sup>(4)</sup>                 |                                                  | (7,079)     | (205,096)    | —            | (212,175)     |
| Foreign currency contracts                       |                                                  |             |              |              |               |
| Foreign currency contracts                       |                                                  |             |              |              |               |
| Impact of netting                                |                                                  |             |              |              |               |
| Total derivative assets                          | Total derivative assets                          | \$ 28,802   | \$ 695,588   | \$ —         | \$ 724,390    |
| Separate account assets                          | Separate account assets                          | 4,130,794   | —            | —            | 4,130,794     |
| Total Assets at Fair Value - Insurance           | Total Assets at Fair Value - Insurance           | \$4,538,908 | \$63,250,933 | \$17,727,734 | \$ 85,517,575 |
| Total Assets at Fair Value                       | Total Assets at Fair Value                       | \$6,614,733 | \$90,372,059 | \$70,824,615 | \$167,811,407 |

|                            |
|----------------------------|
| Total Assets at Fair Value |
| Total Assets at Fair Value |

Notes to Financial Statements (Continued)

|                                                  |                                                  | December 31, 2021 |               |                    |               | December 31, 2022 |          |           |       |
|--------------------------------------------------|--------------------------------------------------|-------------------|---------------|--------------------|---------------|-------------------|----------|-----------|-------|
|                                                  |                                                  | Level I           | Level II      | Level III          | Total         | Level I           | Level II | Level III | Total |
| <b>Asset Management</b>                          | <b>Asset Management</b>                          |                   |               |                    |               |                   |          |           |       |
| Private Equity                                   |                                                  |                   |               |                    |               |                   |          |           |       |
| Private Equity                                   |                                                  |                   |               |                    |               |                   |          |           |       |
| Private Equity                                   | Private Equity                                   | \$ 2,044,380      | \$ 318,736    | \$ 23,322,634      | \$ 25,685,750 |                   |          |           |       |
| Credit                                           | Credit                                           | —                 | 2,122,912     | 5,826,661          | 7,949,573     |                   |          |           |       |
| Investments of Consolidated CFEs                 | Investments of Consolidated CFEs                 | —                 | 22,076,809    | —                  | 22,076,809    |                   |          |           |       |
| Real Assets                                      | Real Assets                                      | —                 | 1,111,219     | 11,389,530         | 12,500,749    |                   |          |           |       |
| Equity Method - Other                            | Equity Method - Other                            | 482,061           | 105,647       | 1,013,807          | 1,601,515     |                   |          |           |       |
| Other Investments                                | Other Investments                                | 759,002           | 146,081       | 3,240,013          | 4,145,096     |                   |          |           |       |
| Total Investments                                | Total Investments                                | \$ 3,285,443      | \$ 25,881,404 | \$ 44,792,645      | \$ 73,959,492 |                   |          |           |       |
| Foreign Exchange Contracts and Options           | Foreign Exchange Contracts and Options           | —                 | 590,637       | —                  | 590,637       |                   |          |           |       |
| Other Derivatives                                | Other Derivatives                                | —                 | 12            | 479 <sup>(1)</sup> | 491           |                   |          |           |       |
| Total Assets at Fair Value - Asset Management    | Total Assets at Fair Value - Asset Management    | \$ 3,285,443      | \$ 26,472,053 | \$ 44,793,124      | \$ 74,550,620 |                   |          |           |       |
| <b>Insurance</b>                                 | <b>Insurance</b>                                 |                   |               |                    |               |                   |          |           |       |
| Insurance                                        |                                                  |                   |               |                    |               |                   |          |           |       |
| Insurance                                        |                                                  |                   |               |                    |               |                   |          |           |       |
| AFS fixed maturity securities:                   | AFS fixed maturity securities:                   |                   |               |                    |               |                   |          |           |       |
| AFS fixed maturity securities:                   |                                                  |                   |               |                    |               |                   |          |           |       |
| U.S. government and agencies                     |                                                  |                   |               |                    |               |                   |          |           |       |
| U.S. government and agencies                     |                                                  |                   |               |                    |               |                   |          |           |       |
| U.S. government and agencies                     | U.S. government and agencies                     | \$ 500,325        | \$ 284,222    | \$ —               | \$ 784,547    |                   |          |           |       |
| U.S. state, municipal and political subdivisions | U.S. state, municipal and political subdivisions | —                 | 5,109,697     | —                  | 5,109,697     |                   |          |           |       |
| Corporate                                        | Corporate                                        | —                 | 33,281,727    | 7,650,660          | 40,932,387    |                   |          |           |       |
| Structured securities                            | Structured securities                            | —                 | 21,215,854    | 828,401            | 22,044,255    |                   |          |           |       |
| Total AFS fixed maturity securities              | Total AFS fixed maturity securities              | \$ 500,325        | \$ 59,891,500 | \$ 8,479,061       | \$ 68,870,886 |                   |          |           |       |

|                                                    |                                                  |               |               |               |                |
|----------------------------------------------------|--------------------------------------------------|---------------|---------------|---------------|----------------|
| Trading fixed maturity securities:                 | Trading fixed maturity securities:               |               |               |               |                |
| U.S. government and agencies                       | U.S. government and agencies                     | \$ 371,366    | \$ 252,266    | \$ —          | \$ 623,632     |
| U.S. government and agencies                       |                                                  |               |               |               |                |
| U.S. government and agencies                       |                                                  |               |               |               |                |
| U.S. state, municipal and political subdivisions   | U.S. state, municipal and political subdivisions | —             | 879,463       | —             | 879,463        |
| Corporate                                          | Corporate                                        | —             | 8,486,922     | 565,025       | 9,051,947      |
| Structured securities                              | Structured securities                            | —             | 2,779,757     | 418,774       | 3,198,531      |
| Total trading fixed maturity securities            | Total trading fixed maturity securities          | \$ 371,366    | \$ 12,398,408 | \$ 983,799    | \$ 13,753,573  |
| Equity securities                                  | Equity securities                                | 256,196       | —             | 32,937        | 289,133        |
| Mortgage and other loan receivables <sup>(2)</sup> |                                                  | —             | —             | 832,674       | 832,674        |
| Other investments <sup>(3)</sup>                   |                                                  | —             | —             | 1,603,345     | 1,603,345      |
| Mortgage and other loan receivables                |                                                  |               |               |               |                |
| Other investments                                  |                                                  |               |               |               |                |
| Funds withheld receivable at interest              | Funds withheld receivable at interest            | —             | —             | 31,740        | 31,740         |
| Reinsurance recoverable                            | Reinsurance recoverable                          | —             | —             | 1,293,791     | 1,293,791      |
| Derivative assets:                                 | Derivative assets:                               |               |               |               |                |
| Equity market contracts                            | Equity market contracts                          | 66,510        | 1,150,333     | —             | 1,216,843      |
| Equity market contracts                            |                                                  |               |               |               |                |
| Equity market contracts                            |                                                  |               |               |               |                |
| Interest rate contracts                            | Interest rate contracts                          | 44,472        | 154,186       | —             | 198,658        |
| Foreign currency contracts                         | Foreign currency contracts                       | —             | 32,464        | —             | 32,464         |
| Impact of netting <sup>(4)</sup>                   |                                                  | (25,588)      | (126,427)     | —             | (152,015)      |
| Foreign currency contracts                         |                                                  |               |               |               |                |
| Foreign currency contracts                         |                                                  |               |               |               |                |
| Impact of netting                                  |                                                  |               |               |               |                |
| Total derivative assets                            | Total derivative assets                          | \$ 85,394     | \$ 1,210,556  | \$ —          | \$ 1,295,950   |
| Separate account assets                            | Separate account assets                          | 5,586,428     | —             | —             | 5,586,428      |
| Total Assets at Fair Value - Insurance             | Total Assets at Fair Value - Insurance           | \$ 6,799,709  | \$ 73,500,464 | \$ 13,257,347 | \$ 93,557,520  |
| Total Assets at Fair Value                         | Total Assets at Fair Value                       | \$ 10,085,152 | \$ 99,972,517 | \$ 58,050,471 | \$ 168,108,140 |
| Total Assets at Fair Value                         |                                                  |               |               |               |                |



## Total Assets at Fair Value

- (1) Includes derivative assets that were valued using a third-party valuation firm. The approach used to estimate the fair value of these derivative assets was generally the discounted cash flow method, which includes consideration of the current portfolio, projected portfolio construction, projected portfolio realizations, portfolio volatility (based on the volatility, correlation, and size of each underlying asset class), and the discounting of future cash flows to the reporting date.
- (2) Includes related party balance of \$27.3 million in Level III for mortgage and other loan receivables as of December 31, 2021.
- (3) Other investments excluded from the fair value hierarchy include certain real estate and private equity funds for which fair value is measured at net asset value per share as a practical expedient. As of December 31, 2022, December 31, 2023 and 2021, 2022, the fair value of these investments was \$148.9 million \$138.5 million and \$108.7 million \$148.9 million, respectively.
- (4) (2) Represents netting of derivative exposures covered by qualifying master netting agreements.

## Notes to Financial Statements (Continued)

### Liabilities, at fair value:

|                                                           |                                                     | December 31, 2022 |              |            |              | December 31, 2023 |          |           |       |
|-----------------------------------------------------------|-----------------------------------------------------|-------------------|--------------|------------|--------------|-------------------|----------|-----------|-------|
|                                                           |                                                     | Level I           | Level II     | Level III  | Total        | Level I           | Level II | Level III | Total |
| <b>Asset Management</b>                                   | <b>Asset Management</b>                             |                   |              |            |              |                   |          |           |       |
| Securities Sold Short                                     | Securities Sold Short                               |                   |              |            |              |                   |          |           |       |
| Securities Sold Short                                     | Securities Sold Short                               | \$158,751         | \$ —         | \$ —       | \$ 158,751   |                   |          |           |       |
| Foreign Exchange Contracts and Options                    | Foreign Exchange Contracts and Options              | —                 | 406,746      | —          | 406,746      |                   |          |           |       |
| Unfunded Revolver Commitments                             | Unfunded Revolver Commitments                       | —                 | —            | 137,315    | 137,315      |                   |          |           |       |
| Other Derivatives                                         | Other Derivatives                                   | —                 | 11,018       | —          | 11,018       |                   |          |           |       |
| Debt Obligations of Consolidated CFEs                     | Debt Obligations of Consolidated CFEs               | —                 | 22,273,242   | —          | 22,273,242   |                   |          |           |       |
| Total Liabilities at Fair Value - Asset Management        | Total Liabilities at Fair Value - Asset Management  | \$158,751         | \$22,691,006 | \$ 137,315 | \$22,987,072 |                   |          |           |       |
| <b>Total Liabilities at Fair Value - Asset Management</b> |                                                     |                   |              |            |              |                   |          |           |       |
| <b>Total Liabilities at Fair Value - Asset Management</b> |                                                     |                   |              |            |              |                   |          |           |       |
| <b>Insurance</b>                                          | <b>Insurance</b>                                    |                   |              |            |              |                   |          |           |       |
| Policy liabilities                                        | Policy liabilities                                  | \$ —              | \$ —         | \$ 394,638 | \$ 394,638   |                   |          |           |       |
| Insurance                                                 | Insurance                                           |                   |              |            |              |                   |          |           |       |
| Policy liabilities (including market risk benefits)       | Policy liabilities (including market risk benefits) |                   |              |            |              |                   |          |           |       |
| Policy liabilities (including market risk benefits)       | Policy liabilities (including market risk benefits) |                   |              |            |              |                   |          |           |       |
| Policy liabilities (including market risk benefits)       | Policy liabilities (including market risk benefits) |                   |              |            |              |                   |          |           |       |
| Closed block policy liabilities                           | Closed block policy liabilities                     | —                 | —            | 1,016,313  | 1,016,313    |                   |          |           |       |

|                                                        |                                             |           |              |             |              |
|--------------------------------------------------------|---------------------------------------------|-----------|--------------|-------------|--------------|
| Funds withheld payable at interest                     | Funds withheld payable at interest          | —         | —            | (3,487,766) | (3,487,766)  |
| Derivative instruments payable:                        | Derivative instruments payable:             |           |              |             |              |
| Equity market contracts                                | Equity market contracts                     | 2,692     | 88,652       | —           | 91,344       |
| Equity market contracts                                |                                             |           |              |             |              |
| Equity market contracts                                |                                             |           |              |             |              |
| Interest rate contracts                                | Interest rate contracts                     | 9,693     | 952,636      | —           | 962,329      |
| Foreign currency contracts                             | Foreign currency contracts                  | —         | 91,680       | —           | 91,680       |
| Credit contracts                                       | Credit contracts                            | —         | 929          | —           | 929          |
| Impact of netting <sup>(2)</sup>                       |                                             | (7,079)   | (205,096)    | —           | (212,175)    |
| Impact of netting                                      |                                             |           |              |             |              |
| Total derivative instruments payable                   | Total derivative instruments payable        | 5,306     | 928,801      | —           | 934,107      |
| Embedded derivative – indexed universal life products  |                                             | —         | —            | 337,860     | 337,860      |
| Embedded derivative – interest-sensitive life products |                                             |           |              |             |              |
| Embedded derivative – interest-sensitive life products |                                             |           |              |             |              |
| Embedded derivative – interest-sensitive life products |                                             |           |              |             |              |
| Embedded derivative – annuity products                 | Embedded derivative – annuity products      | —         | —            | 1,855,366   | 1,855,366    |
| Total Liabilities at Fair Value - Insurance            | Total Liabilities at Fair Value - Insurance | \$ 5,306  | \$ 928,801   | \$ 116,411  | \$ 1,050,518 |
| Total Liabilities at Fair Value                        | Total Liabilities at Fair Value             | \$164,057 | \$23,619,807 | \$ 253,726  | \$24,037,590 |
| Total Liabilities at Fair Value                        |                                             |           |              |             |              |
| Total Liabilities at Fair Value                        |                                             |           |              |             |              |

#### Notes to Financial Statements (Continued)

|                       | December 31, 2021     |           |          |           |            | December 31, 2022 |          |           |       |  |
|-----------------------|-----------------------|-----------|----------|-----------|------------|-------------------|----------|-----------|-------|--|
|                       |                       | Level I   | Level II | Level III | Total      | Level I           | Level II | Level III | Total |  |
| Asset Management      | Asset Management      |           |          |           |            |                   |          |           |       |  |
| Securities Sold Short |                       |           |          |           |            |                   |          |           |       |  |
| Securities Sold Short |                       |           |          |           |            |                   |          |           |       |  |
| Securities Sold Short | Securities Sold Short | \$249,383 | \$ —     | \$ —      | \$ 249,383 |                   |          |           |       |  |
| Foreign Exchange      | Foreign Exchange      |           |          |           |            |                   |          |           |       |  |
| Contracts and Options | Contracts and Options | —         | 319,511  | —         | 319,511    |                   |          |           |       |  |

|                                                        |                                                        |            |               |            |               |
|--------------------------------------------------------|--------------------------------------------------------|------------|---------------|------------|---------------|
| Unfunded Revolver Commitments                          | Unfunded Revolver Commitments                          | —          | —             | 64,276     | 64,276        |
| Other Derivatives                                      | Other Derivatives                                      | —          | 45,003        | —          | 45,003        |
| Debt Obligations of Consolidated CFES                  | Debt Obligations of Consolidated CFES                  | —          | 21,271,084    | —          | 21,271,084    |
| Total Liabilities at Fair Value - Asset Management     | Total Liabilities at Fair Value - Asset Management     | \$ 249,383 | \$ 21,635,598 | \$ 64,276  | \$ 21,949,257 |
| <b>Insurance</b>                                       | <b>Insurance</b>                                       |            |               |            |               |
| Policy liabilities                                     | Policy liabilities                                     | \$ —       | \$ —          | \$ 519,454 | \$ 519,454    |
| <b>Insurance</b>                                       | <b>Insurance</b>                                       |            |               |            |               |
| Policy liabilities (including market risk benefits)    | Policy liabilities (including market risk benefits)    |            |               |            |               |
| Policy liabilities (including market risk benefits)    | Policy liabilities (including market risk benefits)    |            |               |            |               |
| Policy liabilities (including market risk benefits)    | Policy liabilities (including market risk benefits)    |            |               |            |               |
| Closed block policy liabilities                        | Closed block policy liabilities                        | —          | —             | 1,350,224  | 1,350,224     |
| Funds withheld payable at interest                     | Funds withheld payable at interest                     | —          | —             | (49,491)   | (49,491)      |
| Derivative instruments payable:                        | Derivative instruments payable:                        |            |               |            |               |
| Equity market contracts                                | Equity market contracts                                | 33,933     | 152,821       | —          | 186,754       |
| Equity market contracts                                | Equity market contracts                                |            |               |            |               |
| Equity market contracts                                | Equity market contracts                                |            |               |            |               |
| Interest rate contracts                                | Interest rate contracts                                | 14,009     | 87,236        | —          | 101,245       |
| Foreign currency contracts                             | Foreign currency contracts                             | —          | 7,639         | —          | 7,639         |
| Credit contracts                                       | Credit contracts                                       | —          | 1,540         | —          | 1,540         |
| Impact of netting <sup>(2)</sup>                       | Impact of netting <sup>(2)</sup>                       | (25,588)   | (126,427)     | —          | (152,015)     |
| Impact of netting                                      | Impact of netting                                      |            |               |            |               |
| Total derivative instruments payable                   | Total derivative instruments payable                   | 22,354     | 122,809       | —          | 145,163       |
| Embedded derivative – indexed universal life products  | Embedded derivative – indexed universal life products  | —          | —             | 557,276    | 557,276       |
| Embedded derivative – interest-sensitive life products | Embedded derivative – interest-sensitive life products |            |               |            |               |
| Embedded derivative – interest-sensitive life products | Embedded derivative – interest-sensitive life products |            |               |            |               |
| Embedded derivative – interest-sensitive life products | Embedded derivative – interest-sensitive life products |            |               |            |               |
| Embedded derivative – annuity products                 | Embedded derivative – annuity products                 | —          | —             | 1,983,949  | 1,983,949     |

|                          |                          |                   |                      |                     |                      |
|--------------------------|--------------------------|-------------------|----------------------|---------------------|----------------------|
| Total                    | Total                    |                   |                      |                     |                      |
| Liabilities at           | Liabilities at           |                   |                      |                     |                      |
| Fair Value -             | Fair Value -             |                   |                      |                     |                      |
| Insurance                | Insurance                | \$ 22,354         | \$ 122,809           | \$ 4,361,412        | \$ 4,506,575         |
| <b>Total Liabilities</b> | <b>Total Liabilities</b> |                   |                      |                     |                      |
| <b>at Fair Value</b>     | <b>at Fair Value</b>     | <b>\$ 271,737</b> | <b>\$ 21,758,407</b> | <b>\$ 4,425,688</b> | <b>\$ 26,455,832</b> |

**Total Liabilities at Fair Value**

**Total Liabilities at Fair Value**

- (1) These unfunded revolver commitments are classified as Level III within the fair value hierarchy and valued using the same valuation methodologies as KKR's Level III credit investments.
- (2) Represents netting of derivative exposures covered by qualifying master netting agreement, agreements.
- (3) Includes market risk benefit of \$1.1 billion and \$682.0 million as of December 31, 2023 and 2022, respectively.

### Notes to Financial Statements (Continued)

The following tables summarize changes in assets and liabilities measured and reported at fair value for which Level III inputs have been used to determine fair value for the years ended December 31, 2022, December 31, 2023, 2022 and 2021, respectively. For certain insurance disclosures, the beginning of the period represents balances as of the 2021 GA Acquisition Date.

| For the Year Ended December 31, 2023           |                         |                                         |                   |                     |                                       |                     |                        |                                                                                                                                |                                                                                                                                          |                |
|------------------------------------------------|-------------------------|-----------------------------------------|-------------------|---------------------|---------------------------------------|---------------------|------------------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------|
|                                                | Balance, Beg. of Period | Transfers In / (Out) -                  |                   | Net                 | Net Unrealized and Realized           |                     | Balance, End of Period | Changes in Net                                                                                                                 |                                                                                                                                          |                |
|                                                |                         | Changes in Consolidation <sup>(1)</sup> | Transfers In      |                     | Purchases/Issuances/Sales/Settlements | Gains (Losses)      |                        | Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date | Changes in Net Unrealized Gains (Losses) Included in OCI related to Level III Assets and Liabilities still held as of the Reporting Date |                |
| <b>Assets</b>                                  |                         |                                         |                   |                     |                                       |                     |                        |                                                                                                                                |                                                                                                                                          |                |
| <i>Asset Management</i>                        |                         |                                         |                   |                     |                                       |                     |                        |                                                                                                                                |                                                                                                                                          |                |
| Private Equity                                 | \$ 25,336,957           | \$ 286,848                              | \$ 33,231         | \$ (29,417)         | \$ 3,693,726                          | \$ 1,600,229        | \$ —                   | \$ 30,921,574                                                                                                                  | \$ 1,696,643                                                                                                                             | \$ —           |
| Credit                                         | 5,786,026               | —                                       | 253,572           | (188,710)           | (470,131)                             | 72,159              | —                      | 5,452,916                                                                                                                      | 116,478                                                                                                                                  | —              |
| Real Assets                                    | 17,015,112              | (8,962,252)                             | —                 | (628)               | 3,643,071                             | (399,670)           | —                      | 11,295,633                                                                                                                     | (434,545)                                                                                                                                | —              |
| Equity Method - Other                          | 1,624,420               | —                                       | —                 | (2,335)             | (343,597)                             | 259,474             | —                      | 1,537,962                                                                                                                      | 260,584                                                                                                                                  | —              |
| Other Investments                              | 3,334,366               | —                                       | 22,777            | (22,376)            | 1,025,854                             | (94,853)            | —                      | 4,265,768                                                                                                                      | (70,060)                                                                                                                                 | —              |
| Other Derivatives                              | —                       | —                                       | —                 | —                   | 2,153                                 | (2,153)             | —                      | —                                                                                                                              | —                                                                                                                                        | —              |
| <b>Total Assets - Asset Management</b>         | <b>\$ 53,096,881</b>    | <b>\$ (8,675,404)</b>                   | <b>\$ 309,580</b> | <b>\$ (243,466)</b> | <b>\$ 7,551,076</b>                   | <b>\$ 1,435,186</b> | <b>\$ —</b>            | <b>\$ 53,473,853</b>                                                                                                           | <b>\$ 1,569,100</b>                                                                                                                      | <b>\$ —</b>    |
| <i>Insurance</i>                               |                         |                                         |                   |                     |                                       |                     |                        |                                                                                                                                |                                                                                                                                          |                |
| <i>AFS fixed maturity securities:</i>          |                         |                                         |                   |                     |                                       |                     |                        |                                                                                                                                |                                                                                                                                          |                |
| <i>Corporate fixed maturity securities</i>     |                         |                                         |                   |                     |                                       |                     |                        |                                                                                                                                |                                                                                                                                          |                |
| securities                                     | \$ 8,310,657            | \$ —                                    | \$ 108,323        | \$ —                | \$ 57,480                             | \$ 50,066           | \$ 44,477              | \$ 8,571,003                                                                                                                   | \$ —                                                                                                                                     | \$ 55,176      |
| Structured securities                          | 1,419,441               | —                                       | 275,347           | (15,666)            | 63,618                                | 19,789              | 67,471                 | 1,830,000                                                                                                                      | —                                                                                                                                        | 60,873         |
| <b>Total AFS fixed maturity securities</b>     | <b>9,730,098</b>        | <b>—</b>                                | <b>383,670</b>    | <b>(15,666)</b>     | <b>121,098</b>                        | <b>69,855</b>       | <b>111,948</b>         | <b>10,401,003</b>                                                                                                              | <b>—</b>                                                                                                                                 | <b>116,049</b> |
| <i>Trading fixed maturity securities:</i>      |                         |                                         |                   |                     |                                       |                     |                        |                                                                                                                                |                                                                                                                                          |                |
| <i>Corporate fixed maturity securities</i>     |                         |                                         |                   |                     |                                       |                     |                        |                                                                                                                                |                                                                                                                                          |                |
| securities                                     | 672,023                 | —                                       | —                 | (188)               | (508)                                 | (14,404)            | —                      | 656,923                                                                                                                        | (10,951)                                                                                                                                 | —              |
| Structured securities                          | 643,811                 | —                                       | 11,971            | (11,878)            | (46,528)                              | (4,138)             | —                      | 593,238                                                                                                                        | 5,338                                                                                                                                    | —              |
| <b>Total trading fixed maturity securities</b> | <b>1,315,834</b>        | <b>—</b>                                | <b>11,971</b>     | <b>(12,066)</b>     | <b>(47,036)</b>                       | <b>(18,542)</b>     | <b>—</b>               | <b>1,250,161</b>                                                                                                               | <b>(5,613)</b>                                                                                                                           | <b>—</b>       |

(1) For transfers (out) - changes in consolidation, in certain instances, KKR's economic interests became insignificant and certain investment vehicles are no longer consolidated as a result of additional amounts subscribed for by third party investors.

| For the Year Ended December 31, 2022 |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
|--------------------------------------|--------------------------------------|----|------------|----|----------|----|-------|----|-----------|-------------------|-------------------|------------------|-----------|----|---------|----|------------|----|-----------|----|---|
|                                      | For the Year Ended December 31, 2022 |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           |                   | Changes in Net    |                  |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           |                   | Unrealized        | Changes in Net   |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           |                   | Gains (Losses)    | Unrealized       |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           |                   | Included in       | Gains (Losses)   |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           |                   | Earnings          | Included in OCI  |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           |                   | related to Level  | related to Level |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           | III Assets and    | III Assets and    |                  |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           | Liabilities still | Liabilities still |                  |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           | held as of the    | held as of the    |                  |           |    |         |    |            |    |           |    |   |
|                                      |                                      |    |            |    |          |    |       |    |           | Reporting Date    | Reporting Date    |                  |           |    |         |    |            |    |           |    |   |
| For the Year Ended December 31, 2022 |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| For the Year Ended December 31, 2022 |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Balance, Beg. of Period              |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Balance, Beg. of Period              |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Balance, Beg. of Period              |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Assets                               |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Assets                               |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Assets                               | Assets                               |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Asset                                | Asset                                |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Management                           | Management                           |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Asset Management                     |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Asset Management                     |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Private Equity                       |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Private Equity                       |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Private Equity                       | Private Equity                       | \$ | 23,322,634 | \$ | (49,000) | \$ | —     | \$ | (138,220) | \$                | 2,496,973         | \$               | (295,430) | \$ | —       | \$ | 25,336,957 | \$ | (593,364) | \$ | — |
| Credit                               | Credit                               |    | 5,826,661  |    | 34,245   |    | 9,617 |    | (96,218)  |                   | 362,875           |                  | (346,686) |    | (4,468) |    | 5,786,026  |    | (278,038) |    | — |
| Credit                               |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Credit                               |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Real Assets                          |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Real Assets                          |                                      |    |            |    |          |    |       |    |           |                   |                   |                  |           |    |         |    |            |    |           |    |   |
| Real Assets                          | Real Assets                          |    | 11,389,530 |    | —        |    | —     |    | —         |                   | 5,115,282         |                  | 510,300   |    | —       |    | 17,015,112 |    | 114,614   |    | — |

|                                     |                                     |               |            |          |              |              |              |              |               |                |              |  |
|-------------------------------------|-------------------------------------|---------------|------------|----------|--------------|--------------|--------------|--------------|---------------|----------------|--------------|--|
| Equity Method                       | Equity Method                       |               |            |          |              |              |              |              |               |                |              |  |
| - Other                             | - Other                             | 1,013,807     | 156,183    | —        | —            | 603,992      | (149,562)    | —            | 1,624,420     | (142,352)      | —            |  |
| Equity Method - Other               |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Equity Method - Other               |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Other Investments                   |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Other Investments                   |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Other                               | Other                               |               |            |          |              |              |              |              |               |                |              |  |
| Investments                         | Investments                         | 3,240,013     | 513,875    | —        | (839)        | 93,743       | (512,426)    | —            | 3,334,366     | (459,482)      | —            |  |
| Other                               | Other                               |               |            |          |              |              |              |              |               |                |              |  |
| Derivatives                         | Derivatives                         | 479           | —          | —        | —            | 30,593       | (31,072)     | —            | —             | —              | —            |  |
| Other Derivatives                   |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Other Derivatives                   |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Total Assets - Asset                |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Management                          |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Total Assets - Asset                |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Management                          |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Total Assets - Asset                | Total Assets - Asset                |               |            |          |              |              |              |              |               |                |              |  |
| Management                          | Management                          | \$ 44,793,124 | \$ 655,303 | \$ 9,617 | \$ (235,277) | \$ 8,703,458 | \$ (824,876) | \$ (4,468)   | \$ 53,096,881 | \$ (1,358,622) | \$ —         |  |
| Insurance                           | Insurance                           |               |            |          |              |              |              |              |               |                |              |  |
| Insurance                           |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Insurance                           |                                     |               |            |          |              |              |              |              |               |                |              |  |
| AFS fixed maturity securities:      |                                     |               |            |          |              |              |              |              |               |                |              |  |
| AFS fixed maturity securities:      |                                     |               |            |          |              |              |              |              |               |                |              |  |
| AFS fixed maturity securities:      | AFS fixed maturity securities:      |               |            |          |              |              |              |              |               |                |              |  |
| Corporate fixed maturity securities | Corporate fixed maturity securities | \$ 7,650,660  | \$ —       | \$ —     | \$ (88,076)  | \$ 1,177,295 | \$ (59,342)  | \$ (369,880) | \$ 8,310,657  | \$ —           | \$ (328,184) |  |
| Corporate fixed maturity securities |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Corporate fixed maturity securities |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Structured securities               |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Structured securities               |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Structured securities               | Structured securities               | 828,401       | —          | 343,338  | —            | 368,742      | (7,296)      | (113,744)    | 1,419,441     | —              | (123,614)    |  |
| Total AFS fixed maturity securities | Total AFS fixed maturity securities | 8,479,061     | —          | 343,338  | (88,076)     | 1,546,037    | (66,638)     | (483,624)    | 9,730,098     | —              | (451,798)    |  |
| Total AFS fixed maturity securities |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Total AFS fixed maturity securities |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Trading fixed maturity securities:  |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Trading fixed maturity securities:  |                                     |               |            |          |              |              |              |              |               |                |              |  |
| Trading fixed maturity securities:  | Trading fixed maturity securities:  |               |            |          |              |              |              |              |               |                |              |  |
| Corporate fixed maturity securities | Corporate fixed maturity securities | 565,025       | —          | 11,826   | (44,273)     | 219,892      | (80,447)     | —            | 672,023       | (79,031)       | —            |  |

|                                         |                                         |               |            |            |              |               |                |              |               |                |              |
|-----------------------------------------|-----------------------------------------|---------------|------------|------------|--------------|---------------|----------------|--------------|---------------|----------------|--------------|
| Corporate fixed maturity securities     |                                         |               |            |            |              |               |                |              |               |                |              |
| Corporate fixed maturity securities     |                                         |               |            |            |              |               |                |              |               |                |              |
| Structured securities                   |                                         |               |            |            |              |               |                |              |               |                |              |
| Structured securities                   |                                         |               |            |            |              |               |                |              |               |                |              |
| Structured securities                   | Structured securities                   | 418,774       | —          | 128,744    | (31,741)     | 232,211       | (104,177)      | —            | 643,811       | (107,122)      | —            |
| Total trading fixed maturity securities |                                         |               |            |            |              |               |                |              |               |                |              |
| Total trading fixed maturity securities | Total trading fixed maturity securities | 983,799       | —          | 140,570    | (76,014)     | 452,103       | (184,624)      | —            | 1,315,834     | (186,153)      | —            |
| Total trading fixed maturity securities |                                         |               |            |            |              |               |                |              |               |                |              |
| Total trading fixed maturity securities |                                         |               |            |            |              |               |                |              |               |                |              |
| Equity securities                       |                                         |               |            |            |              |               |                |              |               |                |              |
| Equity securities                       |                                         |               |            |            |              |               |                |              |               |                |              |
| Equity securities                       | Equity securities                       | 32,937        | —          | —          | —            | 195           | (16,846)       | —            | 16,286        | (16,846)       | —            |
| Mortgage and other loan receivables     |                                         |               |            |            |              |               |                |              |               |                |              |
| Mortgage and other loan receivables     | Mortgage and other loan receivables     | 832,674       | —          | —          | —            | 54,239        | (99,398)       | —            | 787,515       | (84,219)       | —            |
| Mortgage and other loan receivables     |                                         |               |            |            |              |               |                |              |               |                |              |
| Mortgage and other loan receivables     |                                         |               |            |            |              |               |                |              |               |                |              |
| Other investments                       |                                         |               |            |            |              |               |                |              |               |                |              |
| Other investments                       |                                         |               |            |            |              |               |                |              |               |                |              |
| Other investments                       | Other investments                       | 1,603,345     | —          | —          | —            | 3,167,542     | 112,554        | —            | 4,883,441     | 42,996         | —            |
| Funds withheld receivable at interest   |                                         |               |            |            |              |               |                |              |               |                |              |
| Funds withheld receivable at interest   | Funds withheld receivable at interest   | 31,740        | —          | —          | —            | 10,435        | (29,390)       | —            | 12,785        | —              | —            |
| Funds withheld receivable at interest   |                                         |               |            |            |              |               |                |              |               |                |              |
| Funds withheld receivable at interest   |                                         |               |            |            |              |               |                |              |               |                |              |
| Reinsurance recoverable                 | Reinsurance recoverable                 | 1,293,791     | —          | —          | —            | (11,088)      | (300,928)      | —            | 981,775       | —              | —            |
| Reinsurance recoverable                 |                                         |               |            |            |              |               |                |              |               |                |              |
| Reinsurance recoverable                 |                                         |               |            |            |              |               |                |              |               |                |              |
| Total Assets - Insurance                |                                         |               |            |            |              |               |                |              |               |                |              |
| Total Assets - Insurance                |                                         |               |            |            |              |               |                |              |               |                |              |
| Total Assets - Insurance                | Total Assets - Insurance                | \$ 13,257,347 | \$ —       | \$ 483,908 | \$ (164,090) | \$ 5,219,463  | \$ (585,270)   | \$ (483,624) | \$ 17,727,734 | \$ (244,222)   | \$ (451,798) |
| Total                                   | Total                                   | \$ 58,050,471 | \$ 655,303 | \$ 493,525 | \$ (399,367) | \$ 13,922,921 | \$ (1,410,146) | \$ (488,092) | \$ 70,824,615 | \$ (1,602,844) | \$ (451,798) |
| Total                                   |                                         |               |            |            |              |               |                |              |               |                |              |
| Total                                   |                                         |               |            |            |              |               |                |              |               |                |              |

## Notes to Financial Statements (Continued)

For the Year Ended December 31, 2021



|                                                                                                                                                                                               |                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Changes<br>in Net<br>Unrealized<br>Gains<br>(Losses)<br>Included<br>in<br>Earnings<br>related to<br>Level III<br>Assets<br>and<br>Liabilities<br>still held<br>as of the<br>Reporting<br>Date | Changes<br>in Net<br>Unrealized<br>Gains<br>(Losses)<br>Included<br>in<br>OCI<br>related to<br>Level III<br>Assets<br>and<br>Liabilities<br>still held<br>as of the<br>Reporting<br>Date |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                         |                                         |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |
|-----------------------------------------|-----------------------------------------|---------------------|-----------------------|------------------|----------------------|-------------------|--------------------|-------------------|---------------------|---------------------|------------------|
| Corporate fixed maturity securities     |                                         |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |
| Corporate fixed maturity securities     | Corporate fixed maturity securities     | \$ 3,504,578        | \$ —                  | \$111,805        | \$ (65,664)          | \$ 4,112,225      | \$ —               | \$(12,284)        | \$ 7,650,660        | \$ —                | \$ 5,973         |
| Structured securities                   | Structured securities                   | 197,970             | —                     | 398,477          | (4,150)              | 240,561           | —                  | (4,457)           | 828,401             | —                   | (808)            |
| Total AFS fixed maturity securities     | Total AFS fixed maturity securities     | 3,702,548           | —                     | 510,282          | (69,814)             | 4,352,786         | —                  | (16,741)          | 8,479,061           | —                   | 5,165            |
| Trading fixed maturity securities:      | Trading fixed maturity securities:      |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |
| Corporate fixed maturity securities     | Corporate fixed maturity securities     | 676,650             | —                     | —                | —                    | (111,516)         | (109)              | —                 | 565,025             | (1,332)             | —                |
| Corporate fixed maturity securities     |                                         |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |
| Corporate fixed maturity securities     |                                         |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |
| Structured securities                   | Structured securities                   | 14,661              | —                     | 172,721          | (4,150)              | 235,581           | (39)               | —                 | 418,774             | 940                 | —                |
| Total trading fixed maturity securities | Total trading fixed maturity securities | 691,311             | —                     | 172,721          | (4,150)              | 124,065           | (148)              | —                 | 983,799             | (392)               | —                |
| Equity securities                       | Equity securities                       | 66,660              | —                     | —                | —                    | (86,778)          | 53,055             | —                 | 32,937              | 20,292              | —                |
| Mortgage and other loan receivables     | Mortgage and other loan receivables     | 928,673             | —                     | —                | —                    | (98,120)          | 2,121              | —                 | 832,674             | (1,515)             | —                |
| Other investments                       | Other investments                       | 437,275             | —                     | 5,003            | —                    | 630,457           | 530,610            | —                 | 1,603,345           | 3,666               | —                |
| Funds withheld receivable at interest   |                                         | —                   | —                     | —                | —                    | —                 | 31,740             | —                 | 31,740              | —                   | —                |
| Reinsurance recoverable                 |                                         |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |
| Reinsurance recoverable                 |                                         |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |
| Reinsurance recoverable                 | Reinsurance recoverable                 | 1,339,702           | —                     | —                | —                    | (9,864)           | (36,047)           | —                 | 1,293,791           | —                   | —                |
| Total Assets - Insurance                | Total Assets - Insurance                | \$ 7,166,169        | \$ —                  | \$688,006        | \$ (73,964)          | \$ 4,912,546      | \$ 581,331         | \$(16,741)        | \$13,257,347        | \$ 22,051           | \$ 5,165         |
| <b>Total</b>                            | <b>Total</b>                            | <b>\$40,861,523</b> | <b>\$ (5,672,986)</b> | <b>\$815,522</b> | <b>\$(2,630,913)</b> | <b>15,798,158</b> | <b>\$8,885,494</b> | <b>\$ (6,327)</b> | <b>\$58,050,471</b> | <b>\$ 7,905,712</b> | <b>\$ 15,579</b> |
| Total                                   |                                         |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |
| Total                                   |                                         |                     |                       |                  |                      |                   |                    |                   |                     |                     |                  |

|                  | For the Year Ended December 31, 2022 |           |           |             |                                              |
|------------------|--------------------------------------|-----------|-----------|-------------|----------------------------------------------|
|                  | Purchases                            |           | Issuances |             | Net Purchases/ Issuances/ Sales/ Settlements |
|                  |                                      |           |           |             |                                              |
| Assets           |                                      |           |           |             |                                              |
| Asset Management |                                      |           |           |             |                                              |
| Private Equity   | \$                                   | 3,026,251 | \$        | —           | \$ 2,496,973                                 |
| Credit           |                                      | 2,468,167 |           | —           | 362,875                                      |
|                  |                                      |           |           | (1,526,492) | (578,800)                                    |

|                                         |                      |                  |                       |                       |                      |
|-----------------------------------------|----------------------|------------------|-----------------------|-----------------------|----------------------|
| Real Assets                             | 6,906,707            | —                | (1,736,916)           | (54,509)              | 5,115,282            |
| Equity Method - Other                   | 612,818              | —                | (8,826)               | —                     | 603,992              |
| Other Investments                       | 497,617              | —                | (382,290)             | (21,584)              | 93,743               |
| Other Derivatives                       | 64,500               | —                | (33,907)              | —                     | 30,593               |
| Total Assets - Asset Management         | \$ 13,576,060        | \$ —             | \$ (4,217,709)        | \$ (654,893)          | \$ 8,703,458         |
| <b>Insurance</b>                        |                      |                  |                       |                       |                      |
| AFS fixed maturity securities:          |                      |                  |                       |                       |                      |
| Corporate fixed maturity securities     | \$ 3,175,479         | \$ —             | \$ (204,292)          | \$ (1,793,892)        | \$ 1,177,295         |
| Structured securities                   | 589,561              | —                | (13)                  | (220,806)             | 368,742              |
| Total AFS fixed maturity securities     | 3,765,040            | —                | (204,305)             | (2,014,698)           | 1,546,037            |
| Trading fixed maturity securities:      |                      |                  |                       |                       |                      |
| Corporate fixed maturity securities     | 300,744              | —                | (606)                 | (80,246)              | 219,892              |
| Structured securities                   | 322,291              | —                | (4,700)               | (85,380)              | 232,211              |
| Total trading fixed maturity securities | 623,035              | —                | (5,306)               | (165,626)             | 452,103              |
| Equity securities                       | 195                  | —                | —                     | —                     | 195                  |
| Mortgage and other loan receivables     | 239,013              | —                | (7,302)               | (177,472)             | 54,239               |
| Other investments                       | 3,665,360            | —                | (497,818)             | —                     | 3,167,542            |
| Funds withheld receivable at interest   | —                    | 10,435           | —                     | —                     | 10,435               |
| Reinsurance recoverable                 | —                    | —                | —                     | (11,088)              | (11,088)             |
| Total Assets - Insurance                | \$ 8,292,643         | \$ 10,435        | \$ (714,731)          | \$ (2,368,884)        | \$ 5,219,463         |
| <b>Total</b>                            | <b>\$ 21,868,703</b> | <b>\$ 10,435</b> | <b>\$ (4,932,440)</b> | <b>\$ (3,023,777)</b> | <b>\$ 13,922,921</b> |

### Notes to Financial Statements (Continued)

| For the Year Ended December 31, 2022    |               |           |                |                |                                                 |
|-----------------------------------------|---------------|-----------|----------------|----------------|-------------------------------------------------|
|                                         | Purchases     | Issuances | Sales          | Settlements    | Net Purchases/ Issuances/ Sales/<br>Settlements |
| <b>Assets</b>                           |               |           |                |                |                                                 |
| <b>Asset Management</b>                 |               |           |                |                |                                                 |
| Private Equity                          | \$ 3,026,251  | \$ —      | \$ (529,278)   | \$ —           | 2,496,973                                       |
| Credit                                  | 2,468,167     | —         | (1,526,492)    | (578,800)      | 362,875                                         |
| Real Assets                             | 6,906,707     | —         | (1,736,916)    | (54,509)       | 5,115,282                                       |
| Equity Method - Other                   | 612,818       | —         | (8,826)        | —              | 603,992                                         |
| Other Investments                       | 497,617       | —         | (382,290)      | (21,584)       | 93,743                                          |
| Other Derivatives                       | 64,500        | —         | (33,907)       | —              | 30,593                                          |
| Total Assets - Asset Management         | \$ 13,576,060 | \$ —      | \$ (4,217,709) | \$ (654,893)   | \$ 8,703,458                                    |
| <b>Insurance</b>                        |               |           |                |                |                                                 |
| AFS fixed maturity securities:          |               |           |                |                |                                                 |
| Corporate fixed maturity securities     | \$ 3,175,479  | \$ —      | \$ (204,292)   | \$ (1,793,892) | \$ 1,177,295                                    |
| Structured securities                   | 589,561       | —         | (13)           | (220,806)      | 368,742                                         |
| Total AFS fixed maturity securities     | 3,765,040     | —         | (204,305)      | (2,014,698)    | 1,546,037                                       |
| Trading fixed maturity securities:      |               |           |                |                |                                                 |
| Corporate fixed maturity securities     | 300,744       | —         | (606)          | (80,246)       | 219,892                                         |
| Structured securities                   | 322,291       | —         | (4,700)        | (85,380)       | 232,211                                         |
| Total trading fixed maturity securities | 623,035       | —         | (5,306)        | (165,626)      | 452,103                                         |
| Equity securities                       | 195           | —         | —              | —              | 195                                             |
| Mortgage and other loan receivables     | 239,013       | —         | (7,302)        | (177,472)      | 54,239                                          |
| Other investments                       | 3,665,360     | —         | (497,818)      | —              | 3,167,542                                       |
| Funds withheld receivable at interest   | —             | 10,435    | —              | —              | 10,435                                          |

|                          |               |           |                |                |               |
|--------------------------|---------------|-----------|----------------|----------------|---------------|
| Reinsurance recoverable  | —             | —         | —              | (11,088)       | (11,088)      |
| Total Assets - Insurance | \$ 8,292,643  | \$ 10,435 | \$ (714,731)   | \$ (2,368,884) | \$ 5,219,463  |
| Total                    | \$ 21,868,703 | \$ 10,435 | \$ (4,932,440) | \$ (3,023,777) | \$ 13,922,921 |

| For the Year Ended December 31, 2023                         |                            |                                                       |              |               |                                              |                                                  |               |                           |    |                                                                                                                                                                    |    |         |    |             |    |          |
|--------------------------------------------------------------|----------------------------|-------------------------------------------------------|--------------|---------------|----------------------------------------------|--------------------------------------------------|---------------|---------------------------|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|---------|----|-------------|----|----------|
|                                                              |                            |                                                       |              |               |                                              |                                                  |               |                           |    | Changes in Net<br>Unrealized Gains<br>(Losses) Included in<br>Earnings related to<br>Level III Assets and<br>Liabilities still held<br>as of the Reporting<br>Date |    |         |    |             |    |          |
|                                                              | Balance, Beg. of<br>Period | Transfers In / (Out) -<br>Changes in<br>Consolidation | Transfers In | Transfers Out | Net<br>Purchases/Sales/Settlements/Issuances | Net Unrealized and<br>Realized Gains<br>(Losses) | Change in OCI | Balance, End of<br>Period |    | Date                                                                                                                                                               |    |         |    |             |    |          |
| Liabilities                                                  |                            |                                                       |              |               |                                              |                                                  |               |                           |    |                                                                                                                                                                    |    |         |    |             |    |          |
| Asset Management                                             |                            |                                                       |              |               |                                              |                                                  |               |                           |    |                                                                                                                                                                    |    |         |    |             |    |          |
| Unfunded Revolver                                            |                            |                                                       |              |               |                                              |                                                  |               |                           |    |                                                                                                                                                                    |    |         |    |             |    |          |
| Commitments                                                  | \$                         | 137,315                                               | \$           | —             | \$                                           | —                                                | \$            | (42,632)                  | \$ | —                                                                                                                                                                  | \$ | 94,683  | \$ | (42,632)    |    |          |
| Total Liabilities - Asset<br>Management                      | \$                         | 137,315                                               | \$           | —             | \$                                           | —                                                | \$            | (42,632)                  | \$ | —                                                                                                                                                                  | \$ | 94,683  | \$ | (42,632)    |    |          |
| Insurance                                                    |                            |                                                       |              |               |                                              |                                                  |               |                           |    |                                                                                                                                                                    |    |         |    |             |    |          |
| Policy liabilities                                           | \$                         | 1,063,496                                             | \$           | —             | \$                                           | —                                                | \$            | (4,292)                   | \$ | 177,932                                                                                                                                                            | \$ | 237,834 | \$ | 1,474,970   | \$ | —        |
| Closed block policy<br>liabilities                           |                            | 1,016,313                                             |              | —             |                                              | —                                                |               | (11,951)                  |    | (42,705)                                                                                                                                                           |    | 6,897   |    | 968,554     |    | —        |
| Funds withheld payable<br>at interest                        |                            | (3,487,766)                                           |              | —             |                                              | —                                                |               | —                         |    | 1,040,463                                                                                                                                                          |    | —       |    | (2,447,303) |    | —        |
| Embedded derivative –<br>interest-sensitive life<br>products |                            | 337,860                                               |              | —             |                                              | —                                                |               | (43,820)                  |    | 164,262                                                                                                                                                            |    | —       |    | 458,302     |    | —        |
| Embedded derivative –<br>annuity products                    |                            | 1,851,381                                             |              | —             |                                              | —                                                |               | 955,812                   |    | 780,178                                                                                                                                                            |    | —       |    | 3,587,371   |    | —        |
| Total Liabilities -<br>Insurance                             | \$                         | 781,284                                               | \$           | —             | \$                                           | —                                                | \$            | 895,749                   | \$ | 2,120,130                                                                                                                                                          | \$ | 244,731 | \$ | 4,041,894   | \$ | —        |
| Total                                                        | \$                         | 918,599                                               | \$           | —             | \$                                           | —                                                | \$            | 895,749                   | \$ | 2,077,498                                                                                                                                                          | \$ | 244,731 | \$ | 4,136,577   | \$ | (42,632) |

## Notes to Financial Statements (Continued)

| For the Year Ended December 31, 2021 |           |            |           |   |       |             |             |           |    |                                                 |
|--------------------------------------|-----------|------------|-----------|---|-------|-------------|-------------|-----------|----|-------------------------------------------------|
|                                      |           |            |           |   |       |             |             |           |    | Net Purchases/ Issuances/ Sales/<br>Settlements |
|                                      | Purchases |            | Issuances |   | Sales |             | Settlements |           |    |                                                 |
| <b>Assets</b>                        |           |            |           |   |       |             |             |           |    |                                                 |
| <i>Asset Management</i>              |           |            |           |   |       |             |             |           |    |                                                 |
| Private Equity                       | \$        | 3,400,895  | \$        | — | \$    | (728,617)   | \$          | —         | \$ | 2,672,278                                       |
| Credit                               |           | 5,840,132  |           | — |       | (3,612,448) |             | (329,067) |    | 1,898,617                                       |
| Real Assets                          |           | 8,124,055  |           | — |       | (2,127,742) |             | —         |    | 5,996,313                                       |
| Equity Method - Other                |           | 23,110     |           | — |       | (273,501)   |             | —         |    | (250,391)                                       |
| Other Investments                    |           | 921,181    |           | — |       | (402,364)   |             | —         |    | 518,817                                         |
| Other Derivatives                    |           | 49,978     |           | — |       | —           |             | —         |    | 49,978                                          |
| Total Assets - Asset Management      | \$        | 18,359,351 | \$        | — | \$    | (7,144,672) | \$          | (329,067) | \$ | 10,885,612                                      |
| <i>Insurance</i>                     |           |            |           |   |       |             |             |           |    |                                                 |
| AFS fixed maturity securities:       |           |            |           |   |       |             |             |           |    |                                                 |

|                                         |    |            |    |   |    |             |    |             |    |            |
|-----------------------------------------|----|------------|----|---|----|-------------|----|-------------|----|------------|
| Corporate fixed maturity securities     | \$ | 7,165,017  | \$ | — | \$ | (71,254)    | \$ | (2,981,538) | \$ | 4,112,225  |
| Structured securities                   |    | 268,050    |    | — |    | —           |    | (27,489)    |    | 240,561    |
| Total AFS fixed maturity securities     |    | 7,433,067  |    | — |    | (71,254)    |    | (3,009,027) |    | 4,352,786  |
| Trading fixed maturity securities:      |    |            |    |   |    |             |    |             |    |            |
| Corporate fixed maturity securities     |    | 893,521    |    | — |    | (2,114)     |    | (1,002,923) |    | (111,516)  |
| Structured securities                   |    | 240,119    |    | — |    | —           |    | (4,538)     |    | 235,581    |
| Total trading fixed maturity securities |    | 1,133,640  |    | — |    | (2,114)     |    | (1,007,461) |    | 124,065    |
| Equity securities                       |    | 4,077      |    | — |    | (83,864)    |    | (6,991)     |    | (86,778)   |
| Mortgage and other loan receivables     |    | 413,335    |    | — |    | (26,676)    |    | (484,779)   |    | (98,120)   |
| Other investments                       |    | 1,164,713  |    | — |    | (534,256)   |    | —           |    | 630,457    |
| Reinsurance recoverable                 |    | —          |    | — |    | —           |    | (9,864)     |    | (9,864)    |
| Total Assets - Insurance                | \$ | 10,148,832 | \$ | — | \$ | (718,164)   | \$ | (4,518,122) | \$ | 4,912,546  |
| <b>Total</b>                            | \$ | 28,508,183 | \$ | — | \$ | (7,862,836) | \$ | (4,847,189) | \$ | 15,798,158 |

| For the Year Ended December 31, 2022                   |                  |               |                        |               |                                       |                    |               |                 |                      |                        |
|--------------------------------------------------------|------------------|---------------|------------------------|---------------|---------------------------------------|--------------------|---------------|-----------------|----------------------|------------------------|
|                                                        |                  |               | Transfers In / (Out) - |               |                                       | Net Unrealized and |               |                 | Changes in Net       |                        |
|                                                        | Balance, Beg. of | Changes in    |                        |               | Net                                   | Realized Gains     |               | Balance, End of | Unrealized Gains     |                        |
|                                                        | Period           | Consolidation | Transfers In           | Transfers Out | Purchases/Sales/Settlements/Issuances | (Losses)           | Change in OCI | Period          | (Losses) Included in | Earnings related to    |
|                                                        |                  |               |                        |               |                                       |                    |               |                 | Level III Assets and | Liabilities still held |
|                                                        |                  |               |                        |               |                                       |                    |               |                 | as of the Reporting  | Date                   |
| <b>Liabilities</b>                                     |                  |               |                        |               |                                       |                    |               |                 |                      |                        |
| <i>Asset Management</i>                                |                  |               |                        |               |                                       |                    |               |                 |                      |                        |
| Unfunded Revolver                                      |                  |               |                        |               |                                       |                    |               |                 |                      |                        |
| Commitments                                            | \$               | 64,276        | \$                     | —             | \$                                    | —                  | \$            | —               | \$                   | 66,957                 |
| Total Liabilities - Asset Management                   | \$               | 64,276        | \$                     | —             | \$                                    | —                  | \$            | —               | \$                   | 66,957                 |
| <i>Insurance</i>                                       |                  |               |                        |               |                                       |                    |               |                 |                      |                        |
| Policy liabilities                                     | \$               | 1,962,855     | \$                     | —             | \$                                    | —                  | \$            | —               | \$                   | —                      |
| Closed block policy liabilities                        |                  | 1,350,224     |                        | —             |                                       | —                  |               | —               |                      | —                      |
| Funds withheld payable at interest                     |                  | (49,491)      |                        | —             |                                       | —                  |               | —               |                      | —                      |
| Embedded derivative – interest-sensitive life products |                  | 557,276       |                        | —             |                                       | —                  |               | —               |                      | —                      |
| Embedded derivative – annuity products                 |                  | 1,864,409     |                        | —             |                                       | —                  |               | —               |                      | —                      |
| Total Liabilities - Insurance                          | \$               | 5,685,273     | \$                     | —             | \$                                    | —                  | \$            | —               | \$                   | —                      |
| <b>Total</b>                                           | \$               | 5,749,549     | \$                     | —             | \$                                    | —                  | \$            | —               | \$                   | 66,957                 |

## Notes to Financial Statements (Continued)

| For the Year Ended December 31, 2022 |  |  |  |  |  |  |  |  |  |  |
|--------------------------------------|--|--|--|--|--|--|--|--|--|--|
|                                      |  |  |  |  |  |  |  |  |  |  |

|                           |                        |               |              |               |                                                |                |                |                 | Changes in Net         |           |
|---------------------------|------------------------|---------------|--------------|---------------|------------------------------------------------|----------------|----------------|-----------------|------------------------|-----------|
|                           |                        |               |              |               |                                                |                |                |                 | Unrealized Gains       |           |
|                           |                        |               |              |               |                                                |                |                |                 | (Losses) Included in   |           |
|                           |                        |               |              |               |                                                |                |                |                 | Earnings related to    |           |
|                           | Transfers In / (Out) - |               |              |               | Net Unrealized and                             |                |                |                 | Level III Assets and   |           |
|                           | Balance, Beg. of       | Changes in    |              |               | Net                                            | Realized Gains |                | Balance, End of | Liabilities still held |           |
|                           | Period                 | Consolidation | Transfers In | Transfers Out | Purchases/Sales/Settlements/Issuances (Losses) | Change in OCI  |                | Period          | as of the Reporting    |           |
|                           |                        |               |              |               |                                                |                |                |                 | Date                   |           |
| Liabilities               |                        |               |              |               |                                                |                |                |                 |                        |           |
| Asset Management          |                        |               |              |               |                                                |                |                |                 |                        |           |
| Unfunded Revolver         |                        |               |              |               |                                                |                |                |                 |                        |           |
| Commitments               | \$                     | 64,276        | \$ —         | \$ —          | \$ —                                           | 1,749          | \$ 71,290      | \$ —            | 137,315                | \$ 66,957 |
| Total Liabilities - Asset |                        |               |              |               |                                                |                |                |                 |                        |           |
| Management                | \$                     | 64,276        | \$ —         | \$ —          | \$ —                                           | 1,749          | \$ 71,290      | \$ —            | 137,315                | \$ 66,957 |
| Insurance                 |                        |               |              |               |                                                |                |                |                 |                        |           |
| Policy liabilities        | \$                     | 519,454       | \$ —         | \$ —          | \$ —                                           | \$ —           | (107,374)      | \$ (17,442)     | 394,638                | \$ —      |
| Closed block policy       |                        |               |              |               |                                                |                |                |                 |                        |           |
| liabilities               |                        | 1,350,224     | —            | —             | —                                              | (3,479)        | (327,226)      | (3,206)         | 1,016,313              | —         |
| Funds withheld            |                        |               |              |               |                                                |                |                |                 |                        |           |
| payable at interest       |                        | (49,491)      | —            | —             | —                                              | 10,435         | (3,448,710)    | —               | (3,487,766)            | —         |
| Embedded derivative –     |                        |               |              |               |                                                |                |                |                 |                        |           |
| indexed universal life    |                        |               |              |               |                                                |                |                |                 |                        |           |
| products                  |                        | 557,276       | —            | —             | —                                              | 12,645         | (232,061)      | —               | 337,860                | —         |
| Embedded derivative –     |                        |               |              |               |                                                |                |                |                 |                        |           |
| annuity products          |                        | 1,983,949     | —            | —             | —                                              | 688,872        | (817,455)      | —               | 1,855,366              | —         |
| Total Liabilities -       |                        |               |              |               |                                                |                |                |                 |                        |           |
| Insurance                 | \$                     | 4,361,412     | \$ —         | \$ —          | \$ —                                           | 708,473        | \$ (4,932,826) | \$ (20,648)     | 116,411                | \$ —      |
| Total                     | \$                     | 4,425,688     | \$ —         | \$ —          | \$ —                                           | 710,222        | \$ (4,861,536) | \$ (20,648)     | 253,726                | \$ 66,957 |

#### Notes to Financial Statements (Continued)

|                                                        | Year Ended December 31, 2023 |              |                           |
|--------------------------------------------------------|------------------------------|--------------|---------------------------|
|                                                        | Issuances                    | Settlements  | Net Issuances/Settlements |
|                                                        |                              |              |                           |
| <b>Liabilities</b>                                     |                              |              |                           |
| <i>Asset Management</i>                                |                              |              |                           |
| Unfunded Revolver Commitments                          | \$ —                         | \$ —         | \$ —                      |
| Total Liabilities - Asset Management                   | \$ —                         | \$ —         | \$ —                      |
| <i>Insurance</i>                                       |                              |              |                           |
| Policy liabilities                                     | \$ 1,803                     | \$ (6,095)   | \$ (4,292)                |
| Closed block policy liabilities                        | —                            | (11,951)     | (11,951)                  |
| Embedded derivative – interest-sensitive life products | —                            | (43,820)     | (43,820)                  |
| Embedded derivative – annuity products                 | 1,081,979                    | (126,167)    | 955,812                   |
| Total Liabilities - Insurance                          | \$ 1,083,782                 | \$ (188,033) | \$ 895,749                |
| <b>Total</b>                                           | \$ 1,083,782                 | \$ (188,033) | \$ 895,749                |

| For the Year Ended December 31, 2021 |                        |              |               |                                       |                    |               |        |                        |                     |
|--------------------------------------|------------------------|--------------|---------------|---------------------------------------|--------------------|---------------|--------|------------------------|---------------------|
|                                      |                        |              |               |                                       |                    |               |        | Changes in Net         |                     |
|                                      |                        |              |               |                                       |                    |               |        | Unrealized Gains       |                     |
|                                      |                        |              |               |                                       |                    |               |        | (Losses) Included in   |                     |
|                                      |                        |              |               |                                       |                    |               |        | Earnings related to    |                     |
|                                      |                        |              |               |                                       |                    |               |        | Level III Assets and   |                     |
|                                      |                        |              |               |                                       |                    |               |        | Liabilities still held |                     |
| Balance, Beg. of                     | Transfers In / (Out) - |              |               |                                       | Net Unrealized and |               |        | Balance, End of        | as of the Reporting |
| Period                               | Consolidation          | Transfers In | Transfers Out | Purchases/Sales/Settlements/Issuances | Realized Gains     | Change in OCI | Period | Date                   |                     |
|                                      |                        |              |               |                                       | (Losses)           |               |        |                        |                     |

| Liabilities                                           |    |           |    |   |    |   |    |   |    |          |    |           |    |     |    |           |    |        |
|-------------------------------------------------------|----|-----------|----|---|----|---|----|---|----|----------|----|-----------|----|-----|----|-----------|----|--------|
| Asset Management                                      |    |           |    |   |    |   |    |   |    |          |    |           |    |     |    |           |    |        |
| Unfunded Revolver                                     |    |           |    |   |    |   |    |   |    |          |    |           |    |     |    |           |    |        |
| Commitments                                           | \$ | 46,340    | \$ | — | \$ | — | \$ | — | \$ | 311      | \$ | 17,625    | \$ | —   | \$ | 64,276    | \$ | 17,625 |
| Total Liabilities - Asset Management                  | \$ | 46,340    | \$ | — | \$ | — | \$ | — | \$ | 311      | \$ | 17,625    | \$ | —   | \$ | 64,276    | \$ | 17,625 |
| Insurance                                             |    |           |    |   |    |   |    |   |    |          |    |           |    |     |    |           |    |        |
| Policy liabilities                                    | \$ | 637,729   | \$ | — | \$ | — | \$ | — | \$ | —        | \$ | (118,275) | \$ | —   | \$ | 519,454   | \$ | —      |
| Closed block policy liabilities                       |    | 1,395,746 |    | — |    | — |    | — |    | (41,829) |    | (4,463)   |    | 770 |    | 1,350,224 |    | —      |
| Funds withheld payable at interest                    |    | —         |    | — |    | — |    | — |    | —        |    | (49,491)  |    | —   |    | (49,491)  |    | —      |
| Embedded derivative – indexed universal life products |    | 386,746   |    | — |    | — |    | — |    | (2,702)  |    | 173,232   |    | —   |    | 557,276   |    | —      |
| Embedded derivative – annuity products                |    | 1,024,601 |    | — |    | — |    | — |    | 311,778  |    | 647,570   |    | —   |    | 1,983,949 |    | —      |
| Total Liabilities - Insurance                         | \$ | 3,444,822 | \$ | — | \$ | — | \$ | — | \$ | 267,247  | \$ | 648,573   | \$ | 770 | \$ | 4,361,412 | \$ | —      |
| Total                                                 | \$ | 3,491,162 | \$ | — | \$ | — | \$ | — | \$ | 267,558  | \$ | 666,198   | \$ | 770 | \$ | 4,425,688 | \$ | 17,625 |

|                                                       |  |    |         | Year Ended December 31, 2022 |             |                           |
|-------------------------------------------------------|--|----|---------|------------------------------|-------------|---------------------------|
|                                                       |  |    |         | Issuances                    | Settlements | Net Issuances/Settlements |
| <b>Liabilities</b>                                    |  |    |         |                              |             |                           |
| <i>Asset Management</i>                               |  |    |         |                              |             |                           |
| Unfunded Revolver Commitments                         |  | \$ | 19,141  | \$                           | (17,392)    | \$ 1,749                  |
| Total Liabilities - Asset Management                  |  |    |         | \$ 19,141                    | \$ (17,392) | \$ 1,749                  |
| <i>Insurance</i>                                      |  |    |         |                              |             |                           |
| Closed block policy liabilities                       |  | \$ | —       | \$                           | (3,479)     | \$ (3,479)                |
| Funds withheld payable at interest                    |  |    | 10,435  |                              | —           | 10,435                    |
| Embedded derivative – indexed universal life products |  |    | 29,068  |                              | (16,423)    | 12,645                    |
| Embedded derivative – annuity products                |  |    | 688,872 |                              | —           | 688,872                   |
| Total Liabilities - Insurance                         |  |    |         | \$ 728,375                   | \$ (19,902) | \$ 708,473                |
| <b>Total</b>                                          |  |    |         | \$ 747,516                   | \$ (37,294) | \$ 710,222                |

### Notes to Financial Statements (Continued)

|                         |                         |  |  | Year Ended December 31, 2021 |             |                           |
|-------------------------|-------------------------|--|--|------------------------------|-------------|---------------------------|
|                         |                         |  |  | Net                          |             |                           |
|                         |                         |  |  | Issuances                    | Settlements | Issuances/Settlements     |
|                         |                         |  |  |                              |             |                           |
|                         |                         |  |  |                              |             |                           |
|                         |                         |  |  |                              |             |                           |
|                         |                         |  |  |                              |             |                           |
|                         |                         |  |  | Issuances                    | Settlements | Net Issuances/Settlements |
| <b>Liabilities</b>      | <b>Liabilities</b>      |  |  |                              |             |                           |
| <i>Asset Management</i> | <i>Asset Management</i> |  |  |                              |             |                           |
| <i>Asset Management</i> |                         |  |  |                              |             |                           |
| <i>Asset Management</i> |                         |  |  |                              |             |                           |



|                                                 |                                                 |            |             |             |
|-------------------------------------------------|-------------------------------------------------|------------|-------------|-------------|
| Unfunded Revolver                               |                                                 |            |             |             |
| Commitments                                     |                                                 |            |             |             |
| Unfunded Revolver                               |                                                 |            |             |             |
| Commitments                                     |                                                 |            |             |             |
| Unfunded<br>Revolver<br>Commitments             | Unfunded<br>Revolver<br>Commitments             | \$ 12,169  | \$ (11,858) | \$ 311      |
| Total                                           |                                                 |            |             |             |
| Liabilities -                                   |                                                 |            |             |             |
| Asset                                           |                                                 |            |             |             |
| Management                                      | Management                                      | \$ 12,169  | \$ (11,858) | \$ 311      |
| Insurance                                       |                                                 |            |             |             |
| Insurance                                       |                                                 |            |             |             |
| Insurance                                       |                                                 |            |             |             |
| Policy liabilities                              |                                                 |            |             |             |
| Policy liabilities                              |                                                 |            |             |             |
| Policy liabilities                              |                                                 |            |             |             |
| Closed block                                    |                                                 |            |             |             |
| policy                                          |                                                 |            |             |             |
| liabilities                                     |                                                 |            |             |             |
| Funds                                           |                                                 |            |             |             |
| withheld                                        |                                                 |            |             |             |
| payable at                                      |                                                 |            |             |             |
| interest                                        |                                                 |            |             |             |
| Closed block policy liabilities                 |                                                 | \$ —       | \$ (41,829) | \$ (41,829) |
| Embedded derivative –                           |                                                 |            |             |             |
| indexed universal life                          |                                                 |            |             |             |
| products                                        |                                                 | 15,549     | (18,251)    | (2,702)     |
| Embedded derivative –                           |                                                 |            |             |             |
| interest-sensitive life                         |                                                 |            |             |             |
| products                                        |                                                 |            |             |             |
| Embedded derivative –                           |                                                 |            |             |             |
| interest-sensitive life                         |                                                 |            |             |             |
| products                                        |                                                 |            |             |             |
| Embedded derivative –                           |                                                 |            |             |             |
| interest-sensitive life                         |                                                 |            |             |             |
| products                                        |                                                 |            |             |             |
| Embedded<br>derivative –<br>annuity<br>products | Embedded<br>derivative –<br>annuity<br>products | 311,778    | —           | 311,778     |
| Total                                           |                                                 |            |             |             |
| Liabilities -                                   |                                                 |            |             |             |
| Insurance                                       |                                                 |            |             |             |
|                                                 |                                                 | \$ 327,327 | \$ (60,080) | \$ 267,247  |
| Total                                           | Total                                           | \$ 339,496 | \$ (71,938) | \$ 267,558  |
| Total                                           |                                                 |            |             |             |
| Total                                           |                                                 |            |             |             |

Total realized and unrealized gains and losses recorded for Asset Management - Level III assets and liabilities are reported in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations while Insurance - Level III assets and liabilities are reported in Net Investment Gains and Policy Benefits and Claims in the accompanying consolidated statements of operations.

The following table presents additional information about valuation methodologies and significant unobservable inputs used for financial assets and liabilities that are measured and reported at fair value and categorized within Level III as of **December 31, 2022** **December 31, 2023**. Because input information includes only those items for which information is reasonably available, balances shown below may not equal total amounts reported for such Level III assets and liabilities:

| Level III Assets | Fair Value December<br>31, 2022 | Valuation<br>Methodologies | Unobservable Input(s) (1) | Weighted<br>Average (2) | Range | Impact to<br>Valuation<br>from an<br>Increase in<br>Input (3) |
|------------------|---------------------------------|----------------------------|---------------------------|-------------------------|-------|---------------------------------------------------------------|
|------------------|---------------------------------|----------------------------|---------------------------|-------------------------|-------|---------------------------------------------------------------|

| ASSET MANAGEMENT |    |            |                                                                          |                                           |       |               |
|------------------|----|------------|--------------------------------------------------------------------------|-------------------------------------------|-------|---------------|
| Private Equity   | \$ | 25,336,957 |                                                                          |                                           |       |               |
| Private Equity   | \$ | 22,763,550 | Inputs to market comparables, discounted cash flow and transaction price | Illiquidity Discount                      | 6.5%  | 5.0% - 15.0%  |
|                  |    |            |                                                                          | Weight Ascribed to Market Comparables     | 29.2% | 0.0% - 75.0%  |
|                  |    |            |                                                                          | Weight Ascribed to Discounted Cash Flow   | 68.9% | 0.0% - 100.0% |
|                  |    |            |                                                                          | Weight Ascribed to Transaction Price      | 1.9%  | 0.0% - 80.0%  |
|                  |    |            | Market comparables                                                       | Enterprise Value/LTM EBITDA Multiple      | 17.5x | 7.7x - 51.1x  |
|                  |    |            |                                                                          | Enterprise Value/Forward EBITDA Multiple  | 15.8x | 7.4x - 30.7x  |
|                  |    |            | Discounted cash flow                                                     | Weighted Average Cost of Capital          | 10.2% | 5.9% - 14.4%  |
|                  |    |            |                                                                          | Enterprise Value/LTM EBITDA Exit Multiple | 14.3x | 6.0x - 27.6x  |

| Level III Assets | Fair Value December 31, 2023 | Valuation Methodologies & Inputs | Unobservable Input(s) (1)                                                | Weighted Average (2)                     | Range | Impact to Valuation from an Increase in Input (3) |
|------------------|------------------------------|----------------------------------|--------------------------------------------------------------------------|------------------------------------------|-------|---------------------------------------------------|
| ASSET MANAGEMENT |                              |                                  |                                                                          |                                          |       |                                                   |
| Private Equity   | \$                           | 30,921,574                       |                                                                          |                                          |       |                                                   |
| Private Equity   | \$                           | 28,183,233                       | Inputs to market comparables, discounted cash flow and transaction price | Illiquidity Discount                     | 5.8%  | 5.0% - 15.0%                                      |
|                  |                              |                                  |                                                                          | Weight Ascribed to Market Comparables    | 26.0% | 0.0% - 100.0%                                     |
|                  |                              |                                  |                                                                          | Weight Ascribed to Discounted Cash Flow  | 60.8% | 0.0% - 100.0%                                     |
|                  |                              |                                  |                                                                          | Weight Ascribed to Transaction Price     | 13.2% | 0.0% - 100.0%                                     |
|                  |                              |                                  | Market comparables                                                       | Enterprise Value/LTM EBITDA Multiple     | 16.2x | 6.6x - 55.1x                                      |
|                  |                              |                                  |                                                                          | Enterprise Value/Forward EBITDA Multiple | 15.9x | 4.9x - 34.3x                                      |
|                  |                              |                                  | Discounted cash flow                                                     | Weighted Average Cost of Capital         | 10.1% | 6.5% - 15.8%                                      |
|                  |                              |                                  |                                                                          | Enterprise Value/EBITDA Exit Multiple    | 14.1x | 6.0x - 27.6x                                      |

Notes to Financial Statements (Continued)

| Level III     | Level III     | Fair Value        | Valuation                                                         | Unobservable Input(s) (1) | Weighted      | Range         | Impact to Valuation from an Increase in | Level III |
|---------------|---------------|-------------------|-------------------------------------------------------------------|---------------------------|---------------|---------------|-----------------------------------------|-----------|
| Assets        | Assets        | December 31, 2022 | Methodologies                                                     |                           | Average (2)   |               | Input (3)                               | Assets    |
| Growth Equity | Growth Equity | \$ 2,573,407      | Inputs to market comparables, discounted cash flow and milestones | Illiquidity Discount      | 9.5%          | 5.0% - 50.0%  | Decrease                                |           |
|               |               |                   | Weight Ascribed to Market Comparables                             | 27.7%                     | 0.0% - 100.0% | (4)           |                                         |           |
|               |               |                   | Weight Ascribed to Discounted Cash Flow                           | 0.2%                      | 0.0% - 10.0%  | (5)           |                                         |           |
|               |               |                   | Weight Ascribed to Milestones                                     | 72.1%                     | 0.0% - 100.0% | (6)           |                                         |           |
|               |               |                   | Scenario Weighting                                                | Base                      | 73.7%         | 60.0% - 75.0% | Increase                                |           |
|               |               |                   | Downside                                                          | 3.6%                      | 0.0% - 25.0%  | Decrease      |                                         |           |
|               |               |                   | Upside                                                            | 22.7%                     | 15.0% - 25.0% | Increase      |                                         |           |
| Growth Equity |               |                   |                                                                   |                           |               |               |                                         |           |
| Growth Equity |               |                   |                                                                   |                           |               |               |                                         |           |
|               |               |                   | Weight Ascribed to Market Comparables                             |                           |               |               |                                         |           |

|                                          |                                                       |                                                       |                                          |                 |                |              |          |  |              |
|------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|------------------------------------------|-----------------|----------------|--------------|----------|--|--------------|
| Weight Ascribed to Discounted Cash Flow  |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Weight Ascribed to Transaction Price     |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Weight Ascribed to Milestones            |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Weight Ascribed to Milestones            |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Weight Ascribed to Milestones            |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Scenario                                 |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Weighting                                |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Downside                                 |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Upside                                   |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Market Comparables                       |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Credit                                   | Credit                                                | \$ 5,786,026                                          | Yield Analysis                           | Yield           | 11.5%          | 0.0% - 21.6% | Decrease |  |              |
|                                          |                                                       |                                                       |                                          | Net Leverage    | 6.1x           | 0.2x - 24.9x | Decrease |  |              |
|                                          |                                                       |                                                       |                                          | EBITDA Multiple | 12.4x          | 0.3x - 33.0x | Increase |  |              |
| Credit                                   |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Credit                                   |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Net Leverage                             |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| EBITDA Multiple                          |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Real Assets                              | Real Assets                                           | \$17,015,112                                          |                                          |                 |                |              |          |  |              |
| Energy                                   | \$ 1,804,385                                          | Inputs to market comparables and discounted cash flow | Weight Ascribed to Market Comparables    | 48.3%           | 0.0% - 50.0%   | (4)          |          |  |              |
| Real Assets                              |                                                       |                                                       |                                          |                 |                |              |          |  |              |
|                                          | Inputs to market comparables and discounted cash flow |                                                       | Weight Ascribed to Discounted Cash Flow  | 51.7%           | 50.0% - 100.0% | (5)          |          |  |              |
|                                          | Enterprise Value/LTM EBITDA Multiple                  |                                                       | 4.2x                                     | 4.2x - 4.2x     | Increase       |              |          |  |              |
|                                          | Market comparables                                    |                                                       | Enterprise Value/Forward EBITDA Multiple | 6.6x            | 3.0x- 7.7x     | Increase     |          |  |              |
|                                          |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Real Assets                              |                                                       |                                                       |                                          |                 |                |              |          |  | \$11,295,633 |
| Energy                                   |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Energy                                   |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Energy                                   |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Weight Ascribed to Discounted Cash Flow  |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Weight Ascribed to Transaction Price     |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Market comparables                       |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Enterprise Value/Forward EBITDA Multiple |                                                       |                                                       |                                          |                 |                |              |          |  |              |
| Discounted cash flow                     |                                                       |                                                       |                                          |                 |                |              |          |  |              |

|                |                      |                                                                          |                                           |                                  |                   |               |          |
|----------------|----------------------|--------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-------------------|---------------|----------|
|                |                      | Average Price Per BOE (8)                                                |                                           |                                  |                   |               |          |
| Infrastructure |                      |                                                                          |                                           |                                  |                   |               |          |
| Infrastructure |                      |                                                                          |                                           |                                  |                   |               |          |
| Infrastructure |                      |                                                                          |                                           |                                  |                   |               |          |
|                |                      |                                                                          | Weight Ascribed to Market Comparables     |                                  |                   |               |          |
|                |                      |                                                                          | Weight Ascribed to Discounted Cash Flow   |                                  |                   |               |          |
|                |                      |                                                                          | Weight Ascribed to Transaction Price      |                                  |                   |               |          |
|                | Market comparables   |                                                                          |                                           |                                  |                   |               |          |
|                |                      |                                                                          | Enterprise Value/Forward EBITDA Multiple  |                                  |                   |               |          |
|                | Discounted cash flow |                                                                          |                                           |                                  |                   |               |          |
|                |                      |                                                                          | Enterprise Value/EBITDA Exit Multiple     |                                  |                   |               |          |
| Real Estate    |                      |                                                                          |                                           |                                  |                   |               |          |
| Real Estate    |                      |                                                                          |                                           |                                  |                   |               |          |
| Real Estate    |                      |                                                                          |                                           |                                  |                   |               |          |
|                |                      |                                                                          | Weight Ascribed to Transaction Price      |                                  |                   |               |          |
|                | Discounted cash flow | Discounted cash flow                                                     |                                           | Weighted Average Cost of Capital | 12.3%             | 11.2% - 14.6% | Decrease |
|                |                      |                                                                          | Average Price Per BOE (8)                 | \$52.96                          | \$50.49 - \$57.28 | Increase      |          |
| Infrastructure | \$ 7,105,673         | Inputs to market comparables, discounted cash flow and transaction price | Illiquidity Discount                      | 5.7%                             | 5.0% - 10.0%      | Decrease      |          |
|                |                      |                                                                          | Weight Ascribed to Market Comparables     | 1.5%                             | 0.0% - 25.0%      | (4)           |          |
|                |                      |                                                                          | Weight Ascribed to Discounted Cash Flow   | 84.2%                            | 0.0% - 100.0%     | (5)           |          |
|                |                      |                                                                          | Weight Ascribed to Transaction Price      | 14.3%                            | 0.0% - 100.0%     | (6)           |          |
|                |                      | Market comparables                                                       | Enterprise Value/LTM EBITDA Multiple      | 10.9x                            | 10.9x - 10.9x     | Increase      |          |
|                |                      |                                                                          | Enterprise Value/Forward EBITDA Multiple  | 14.7x                            | 10.8x - 20.5x     | Increase      |          |
|                |                      | Discounted cash flow                                                     | Weighted Average Cost of Capital          | 7.2%                             | 5.1% - 8.5%       | Decrease      |          |
|                |                      |                                                                          | Enterprise Value/LTM EBITDA Exit Multiple | 13.1x                            | 1.4x - 22.0x      | Increase      |          |

|                                           |        |                                  |                                                                                    |                                         |                                                 |                                          |               |                                      |                   |                       |              |          |
|-------------------------------------------|--------|----------------------------------|------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------|------------------------------------------|---------------|--------------------------------------|-------------------|-----------------------|--------------|----------|
| Real Estate                               |        | \$ 8,105,054                     | Inputs to direct income capitalization, discounted cash flow and transaction price |                                         | Weight Ascribed to Direct Income Capitalization |                                          | 23.0%         | 0.0% - 100.0%                        | (7)               |                       |              |          |
|                                           |        |                                  |                                                                                    | Weight Ascribed to Discounted Cash Flow |                                                 | 75.2%                                    | 0.0% - 100.0% | (5)                                  |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | 1.8%                                     | 0.0% - 100.0% | (6)                                  |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | Direct income capitalization             |               | Current Capitalization Rate          | 5.0%              | 2.3% - 7.7%           | Decrease     |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | Discounted cash flow                     |               | Unlevered Discount Rate              | 6.6%              | 2.6% - 18.0%          | Decrease     |          |
|                                           |        |                                  | Equity Method - Other                                                              |                                         |                                                 |                                          |               |                                      |                   |                       |              |          |
| Equity                                    | Equity | \$ 1,624,420                     | Inputs to market comparables, discounted cash flow and transaction price           |                                         | Illiquidity Discount                            |                                          | 6.3%          | 5.0% - 10.0%                         | Decrease          | Equity Method - Other |              |          |
| Method - Other                            |        |                                  | Weight Ascribed to Market Comparables                                              | Discounted Cash Flow                    |                                                 | 48.0%                                    | 0.0% - 100.0% | (4)                                  |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | 23.7%                                    | 0.0% - 100.0% | (5)                                  |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | 28.3%                                    | 0.0% - 100.0% | (6)                                  |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | Market comparables                       |               | Enterprise Value/LTM EBITDA Multiple | 19.7x             |                       | 4.2x - 41.7x | Increase |
|                                           |        |                                  |                                                                                    |                                         |                                                 | Enterprise Value/Forward EBITDA Multiple |               | 17.1x                                | 3.9x - 33.4x      |                       | Increase     |          |
| Enterprise Value/Forward EBITDA Multiple  |        |                                  |                                                                                    |                                         |                                                 |                                          |               |                                      |                   |                       |              |          |
|                                           |        |                                  | Discounted cash flow                                                               |                                         | Weighted Average Cost of Capital                |                                          | 10.0%         | 6.6% - 18.3%                         | Decrease          |                       |              |          |
|                                           |        |                                  | Enterprise Value/LTM EBITDA Exit Multiple                                          |                                         | 19.5x                                           | 6.0x - 41.7x                             | Increase      |                                      |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 |                                          |               |                                      |                   |                       |              |          |
| Other                                     | Other  | \$ 3,334,366                     | (9) Inputs to market comparables, discounted cash flow and transaction price       |                                         | Illiquidity Discount                            |                                          | 10.8%         | 6.4% - 20.0%                         | Decrease          | Other Investments     |              |          |
| Investments                               |        |                                  | Weight Ascribed to Market Comparables                                              | Discounted Cash Flow                    |                                                 | 17.9%                                    | 0.0% - 100.0% | (4)                                  |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | 55.2%                                    | 0.0% - 100.0% | (5)                                  |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | 26.9%                                    | 0.0% - 100.0% | (6)                                  |                   |                       |              |          |
|                                           |        |                                  |                                                                                    |                                         |                                                 | Market comparables                       |               | Enterprise Value/LTM EBITDA Multiple | 12.0x             |                       | 6.3x - 26.1x | Increase |
|                                           |        |                                  |                                                                                    |                                         |                                                 | Enterprise Value/Forward EBITDA Multiple |               | 11.6x                                | 7.3x - 20.3x      |                       | Increase     |          |
| Discounted cash flow                      |        | Weighted Average Cost of Capital | 14.0%                                                                              | 8.2% - 44.0%                            | Decrease                                        |                                          |               |                                      |                   |                       |              |          |
| Enterprise Value/LTM EBITDA Exit Multiple |        | 8.4x                             | 6.0x - 11.0x                                                                       | Increase                                |                                                 |                                          |               |                                      |                   |                       |              |          |
| Other Investments                         |        |                                  |                                                                                    |                                         |                                                 |                                          |               |                                      | Other Investments |                       |              |          |
| Weight Ascribed to Discounted Cash Flow   |        |                                  |                                                                                    |                                         |                                                 |                                          |               |                                      |                   |                       |              |          |
| Weight Ascribed to                        |        |                                  |                                                                                    |                                         |                                                 |                                          |               |                                      |                   |                       |              |          |

| Transaction Price  |                                             |
|--------------------|---------------------------------------------|
| Market comparables | Enterprise Value/Forward<br>EBITDA Multiple |

## Notes to Financial Statements (Continued)

|                                     | Fair Value                          |             |                       |                                       |             | Impact to Valuation from an Increase in | Level             | Fair Value  | Valuation            |          |                                  |
|-------------------------------------|-------------------------------------|-------------|-----------------------|---------------------------------------|-------------|-----------------------------------------|-------------------|-------------|----------------------|----------|----------------------------------|
| Level III                           | Level III                           | December    | Valuation             |                                       | Weighted    |                                         | III               | December    | Methodologies        |          | Unobservable Input(s)            |
| Assets                              | Assets                              | 31, 2022    | Methodologies         | Unobservable Input(s) (1)             | Average (2) | Range                                   | Input (3)         | Assets      | 31, 2023             | & Inputs |                                  |
|                                     |                                     |             | Discounted cash flow  | Discounted cash flow                  |             |                                         |                   |             |                      |          |                                  |
|                                     |                                     |             | Discounted cash flow  |                                       |             |                                         |                   |             |                      |          | Weighted Average Cost of Capital |
|                                     |                                     |             |                       | Enterprise Value/EBITDA Exit Multiple |             |                                         |                   |             |                      |          |                                  |
| INSURANCE                           |                                     |             |                       |                                       |             |                                         |                   |             |                      |          |                                  |
| INSURANCE                           |                                     |             |                       |                                       |             |                                         |                   |             |                      |          |                                  |
| INSURANCE                           | INSURANCE                           |             |                       |                                       |             |                                         |                   |             |                      |          |                                  |
| Corporate fixed maturity securities | Corporate fixed maturity securities | \$1,851,939 | Discounted cash flow  | Discount Spread                       | 3.05%       | 0.22% - 6.02%                           | Decrease          |             |                      |          |                                  |
| Corporate fixed maturity securities |                                     |             |                       |                                       |             |                                         |                   |             |                      |          |                                  |
| Corporate fixed maturity securities |                                     |             |                       |                                       |             |                                         |                   |             |                      |          |                                  |
| Corporate fixed maturity securities |                                     |             |                       |                                       |             |                                         |                   | \$1,279,386 | Discounted cash flow |          | Discount Spread                  |
| Structured securities               | Structured securities               | \$ 93,561   | Discounted cash flow  | Discount Spread                       | 3.55%       | 2.93% - 6.58%                           | Decrease          |             |                      |          |                                  |
|                                     |                                     |             |                       | Constant Prepayment Rate              | 7.39%       | 5.00% - 15.00%                          | Increase/Decrease |             |                      |          |                                  |
|                                     |                                     |             |                       | Constant Default Rate                 | 1.20%       | 1.00% - 2.50%                           | Decrease          |             |                      |          |                                  |
| Structured securities               |                                     |             |                       |                                       |             |                                         |                   |             |                      |          |                                  |
| Structured securities               |                                     |             |                       |                                       |             |                                         |                   | \$ 82,010   | Discounted cash flow |          | Discount Spread                  |
|                                     |                                     |             |                       | Constant Prepayment Rate              |             |                                         |                   |             |                      |          |                                  |
|                                     |                                     |             |                       | Constant Default Rate                 |             |                                         |                   |             |                      |          |                                  |
|                                     |                                     |             |                       | Loss Severity                         |             |                                         |                   |             |                      |          |                                  |
| Other investments                   | Other investments                   | \$4,639,349 | Direct capitalization | Loss Severity                         |             | 100%                                    | Decrease          |             |                      |          |                                  |
|                                     |                                     |             |                       | Current Capitalization Rate           |             | 5.30%                                   | Decrease          |             |                      |          |                                  |
|                                     |                                     |             |                       | Vacancy rate                          | 3.30%       | —% - 5.00%                              | Decrease          |             |                      |          |                                  |
| Other investments                   |                                     |             |                       |                                       |             |                                         |                   |             |                      |          |                                  |
|                                     |                                     |             | Discounted cash flow  | Rate                                  | 7.23%       | 5.50% - 7.57%                           | Decrease          |             |                      |          |                                  |
|                                     |                                     |             |                       | Terminal capitalization rate          | 6.11%       | 4.25% - 6.46%                           | Decrease          |             |                      |          |                                  |

|                                       |                                       |            |                                                                                                                                                                                                         |                                |                |                                                                                                                                                    |                                                                                                                 |                                |  |
|---------------------------------------|---------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|--------------------------------|--|
| Other investments                     |                                       |            |                                                                                                                                                                                                         |                                |                |                                                                                                                                                    |                                                                                                                 |                                |  |
|                                       |                                       |            |                                                                                                                                                                                                         |                                |                | \$ 4,775,549                                                                                                                                       | Discounted cash flow                                                                                            | Vacancy rate                   |  |
| Discount rate                         |                                       |            |                                                                                                                                                                                                         |                                |                |                                                                                                                                                    |                                                                                                                 |                                |  |
| Terminal capitalization rate          |                                       |            |                                                                                                                                                                                                         |                                |                |                                                                                                                                                    |                                                                                                                 |                                |  |
| Funds withheld receivable at interest | Funds withheld receivable at interest | \$ 12,785  | Discounted cash flow                                                                                                                                                                                    | Duration/Weighted Average Life | 8.49 years     | 0.0 years - 20.3 years                                                                                                                             | Increase                                                                                                        |                                |  |
|                                       |                                       |            | Contractholder Persistency                                                                                                                                                                              | 7.09%                          | 3.60% - 16.70% | Increase                                                                                                                                           |                                                                                                                 |                                |  |
|                                       |                                       |            | Nonperformance Risk                                                                                                                                                                                     | 0.98%                          | 0.61% - 1.42%  | Decrease                                                                                                                                           |                                                                                                                 |                                |  |
| Funds withheld receivable at interest |                                       |            |                                                                                                                                                                                                         |                                |                |                                                                                                                                                    |                                                                                                                 |                                |  |
| Funds withheld receivable at interest |                                       |            |                                                                                                                                                                                                         |                                |                | \$ 88,661                                                                                                                                          | Discounted cash flow                                                                                            | Duration/Weighted Average Life |  |
| Contractholder Persistency            |                                       |            |                                                                                                                                                                                                         |                                |                |                                                                                                                                                    |                                                                                                                 |                                |  |
| Instrument-specific credit risk       |                                       |            |                                                                                                                                                                                                         |                                |                |                                                                                                                                                    |                                                                                                                 |                                |  |
| Reinsurance recoverable               | Reinsurance recoverable               | \$ 981,775 | Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.                                                                                         | Expense assumption             | \$17.2         | The average expense assumption is between \$8.23 and \$78.00 per policy, increased by inflation. The annual inflation rate was increased by 2.50%. | Increase                                                                                                        |                                |  |
|                                       |                                       |            | Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses and a cost of capital on the capital held in support of the liabilities. | Expense risk margin            |                | 9.42%                                                                                                                                              | Decrease                                                                                                        |                                |  |
|                                       |                                       |            |                                                                                                                                                                                                         | Cost of capital                | 9.7%           | 3.69% - 13.85%                                                                                                                                     | Increase                                                                                                        |                                |  |
|                                       |                                       |            | Discounted cash flow                                                                                                                                                                                    | Mortality Rate                 |                | 5.46%                                                                                                                                              | Increase                                                                                                        |                                |  |
|                                       |                                       |            | Surrender Rate                                                                                                                                                                                          |                                | 2.01%          | Increase                                                                                                                                           |                                                                                                                 |                                |  |
| Reinsurance recoverable               |                                       |            |                                                                                                                                                                                                         |                                |                |                                                                                                                                                    |                                                                                                                 |                                |  |
| Reinsurance recoverable               |                                       |            |                                                                                                                                                                                                         |                                |                | \$ 926,035                                                                                                                                         | Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities. | Expense assumption             |  |



|                 |                 |
|-----------------|-----------------|
| Unobservable    |                 |
| inputs are a    |                 |
| market          |                 |
| participant's   |                 |
| view of the     |                 |
| expenses, a     |                 |
| risk margin on  |                 |
| the             |                 |
| uncertainty of  |                 |
| the level of    |                 |
| expenses and    |                 |
| a cost of       |                 |
| capital on the  |                 |
| capital held in |                 |
| support of the  |                 |
| liabilities.    |                 |
|                 | Cost of capital |
| Discounted      |                 |
| cash flow       | Surrender Rate  |

- (1) In determining certain of these inputs, management evaluates a variety of factors including economic conditions, industry and market developments, market valuations of comparable companies and company specific developments including exit strategies and realization opportunities. KKR has determined that market participants would take these inputs into account when valuing the investments and debt obligations. "LTM" means last twelve months, and "EBITDA" means earnings before interest, taxes, depreciation and amortization.
- (2) Inputs were weighted based on the fair value of the investments included in the range.
- (3) Unless otherwise noted, this column represents the directional change in the fair value of the Level III investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.
- (4) The directional change from an increase in the weight ascribed to the market comparables approach would increase the fair value of the Level III investments if the market comparables approach results in a higher valuation than the discounted cash flow approach and transaction price. The opposite would be true if the market comparables approach results in a lower valuation than the discounted cash flow approach and transaction price.
- (5) The directional change from an increase in the weight ascribed to the discounted cash flow approach would increase the fair value of the Level III investments if the discounted cash flow approach results in a higher valuation than the market comparables approach, transaction price and direct income capitalization approach. The opposite would be true if the discounted cash flow approach results in a lower valuation than the market comparables approach, transaction price and direct income capitalization approach.
- (6) The directional change from an increase in the weight ascribed to the transaction price or milestones would increase the fair value of the Level III investments if the transaction price or milestones results in a higher valuation than the market comparables and discounted cash flow approach. The opposite would be true if the transaction price or milestones results in a lower valuation than the market comparables approach and discounted cash flow approach.

Notes to Financial Statements (Continued)

- (7) The directional change from an increase in the weight ascribed to the direct income capitalization approach would increase the fair value of the Level III investments if the direct income capitalization approach results in a higher valuation than the discounted cash flow approach. The opposite would be true if the direct income capitalization approach results in a lower valuation than the discounted cash flow approach.
- (8) The total energy fair value amount includes multiple investments (in multiple locations throughout North America) that are held in multiple different investment funds and produce varying quantities of oil, condensate, natural gas liquids, and natural gas. Commodity price may be measured using a common volumetric equivalent where one barrel of oil equivalent ("BOE"), is determined using the ratio of six thousand cubic feet of natural gas to one barrel of oil, condensate or natural gas liquids. The price per BOE is provided to show the aggregate of all price inputs for the various investments over a common volumetric equivalent although the valuations for specific investments may use price inputs specific to the asset for purposes of our valuations. The discounted cash flows include forecasted production of liquids (oil, condensate, and natural gas liquids) and natural gas with a forecasted revenue ratio of approximately 83% 88% liquids and 17% 12% natural gas.
- (9) Consists primarily of investments in common stock, preferred stock, warrants and options of companies that are not private equity, real assets, credit, equity method - other or investments of consolidated CFEs.

| Level III        | Level III        | Fair Value | Valuation      |                           | Weighted    |              | Impact to                               | Level III   | Fai |
|------------------|------------------|------------|----------------|---------------------------|-------------|--------------|-----------------------------------------|-------------|-----|
| Liabilities      | Liabilities      | December   | Methodologies  | Unobservable Input(s) (1) | Average (2) | Range        | Valuation from an Increase in Input (3) | Liabilities | Dei |
|                  |                  | 31, 2022   |                |                           |             |              |                                         |             | 31  |
| ASSET            | ASSET MANAGEMENT |            |                |                           |             |              |                                         |             |     |
| MANAGEMENT       |                  |            |                |                           |             |              |                                         |             |     |
| ASSET MANAGEMENT |                  |            |                |                           |             |              |                                         |             |     |
| ASSET MANAGEMENT |                  |            |                |                           |             |              |                                         |             |     |
| Unfunded         | Unfunded         | \$ 137,315 | Yield Analysis | Yield                     | 13.4%       | 8.0% - 39.6% | Decrease                                |             |     |
| Revolver         | Revolver         |            |                |                           |             |              |                                         |             |     |

| Commitments                        | Commitments        | Unfunded           | Unfunded       | Yield    | Unfunded                                                                                                                                                                                                      |                                |       | \$ 94,683  | Yield         |                                                                                                                                                    | Yield Analysis |          | Yield |
|------------------------------------|--------------------|--------------------|----------------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------|------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------|-------|
| INSURANCE                          |                    | Revolver           | Revolver       | Analysis | Revolver                                                                                                                                                                                                      |                                |       |            | Analysis      |                                                                                                                                                    |                |          |       |
|                                    |                    | Commitments        | Commitments    |          | Commitments                                                                                                                                                                                                   |                                |       |            |               |                                                                                                                                                    |                |          |       |
| INSURANCE                          |                    |                    |                |          |                                                                                                                                                                                                               |                                |       |            |               |                                                                                                                                                    |                |          |       |
| INSURANCE                          | INSURANCE          |                    |                |          |                                                                                                                                                                                                               |                                |       |            |               |                                                                                                                                                    |                |          |       |
| Policy liabilities                 | Policy liabilities |                    | \$ 394,638     |          | Present value of best estimate liability cash flows. Unobservable inputs include a market participant view of the risk margin included in the discount rate which reflects the variability of the cash flows. | Risk Margin Rate               |       | 1.26%      |               | 0.65% - 1.94%                                                                                                                                      |                | Decrease |       |
|                                    |                    |                    |                |          |                                                                                                                                                                                                               |                                |       |            |               |                                                                                                                                                    |                |          |       |
|                                    | Policy liabilities | Policy liabilities |                |          | Policyholder behavior is also a significant unobservable input, including surrender and mortality.                                                                                                            | Surrender Rate                 |       | 5.88%      |               | 3.60% - 6.83%                                                                                                                                      |                | Decrease |       |
|                                    |                    |                    |                |          | Mortality Rate                                                                                                                                                                                                |                                | 4.53% |            | 3.61% - 9.14% |                                                                                                                                                    | Increase       |          |       |
| Closed block policy liabilities    |                    |                    | \$ 1,016,313   |          | Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.                                                                                               | Expense assumption             |       | td7.2      |               | The average expense assumption is between \$8.23 and \$78.00 per policy, increased by inflation. The annual inflation rate was increased by 2.50%. |                | Increase |       |
|                                    |                    |                    |                |          | Nonperformance Risk                                                                                                                                                                                           |                                |       | 0.98%      |               | 0.61% - 1.42%                                                                                                                                      |                | Decrease |       |
|                                    |                    |                    |                |          | Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses and a cost of capital on the capital held in support of the liabilities.       | Expense Risk Margin            |       |            |               | 9.42%                                                                                                                                              |                | Decrease |       |
|                                    |                    |                    |                |          |                                                                                                                                                                                                               | Cost of Capital                |       | 9.7%       |               | 3.69% - 13.85%                                                                                                                                     |                | Increase |       |
|                                    |                    |                    |                |          | Discounted cash flow                                                                                                                                                                                          | Mortality Rate                 |       |            |               | 5.46%                                                                                                                                              |                | Increase |       |
|                                    |                    |                    |                |          |                                                                                                                                                                                                               | Surrender Rate                 |       |            |               | 2.01%                                                                                                                                              |                | Increase |       |
| Funds withheld payable at interest |                    |                    | \$ (3,487,766) |          | Discounted cash flow                                                                                                                                                                                          | Duration/Weighted Average Life |       | 8.56 years |               | 0.0 years - 17.37 years                                                                                                                            |                | Decrease |       |
|                                    |                    |                    |                |          |                                                                                                                                                                                                               | Contractholder Persistency     |       | 7.09%      |               | 3.60% - 16.70%                                                                                                                                     |                | Decrease |       |
| Policy liabilities                 |                    |                    |                |          |                                                                                                                                                                                                               |                                |       |            |               |                                                                                                                                                    |                |          |       |

Fair value using a non-option and option valuation approach

Fair value using a non-option and option valuation approach

Fair value using a non-option and option valuation approach

Policyholder behavior is also a significant unobservable input, including lapse, surrender, and mortality.

|                                                       |            |                                                         |                     |       |               |          |
|-------------------------------------------------------|------------|---------------------------------------------------------|---------------------|-------|---------------|----------|
|                                                       |            |                                                         | Nonperformance Risk | 0.98% | 0.61% - 1.42% | Decrease |
| Embedded derivative – indexed universal life products | \$ 337,860 | Policy persistency is a significant unobservable input. | Lapse Rate          |       | 3.45%         | Decrease |
|                                                       |            |                                                         | Mortality Rate      |       | 0.72%         | Decrease |

|                                                                 |                         |       |                           |
|-----------------------------------------------------------------|-------------------------|-------|---------------------------|
| Future costs for options used to hedge the contract obligations | Option Budge Assumption | 3.66% | Increase                  |
|                                                                 | Nonperformance Risk     | 0.98% | 0.61% - 1.42%<br>Decrease |

## Notes to Financial Statements (Continued)

| Level III Liabilities                  | Fair Value December 31, 2022 | Valuation Methodologies                                                                     | Unobservable Input(s) <sup>(1)</sup>                            | Weighted Average <sup>(2)</sup> | Range          | Impact to Valuation from an Increase in Input <sup>(3)</sup> |
|----------------------------------------|------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------|----------------|--------------------------------------------------------------|
| Embedded derivative – annuity products | \$ 1,855,366                 | Policyholder behavior is a significant unobservable input, including utilization and lapse. | Utilization:                                                    |                                 |                |                                                              |
|                                        |                              |                                                                                             | Fixed-indexed annuity                                           | 3.49%                           |                | Decrease                                                     |
|                                        |                              |                                                                                             | Variable annuity                                                | 4.28%                           | 2.50% - 32.84% | Decrease                                                     |
|                                        |                              |                                                                                             | Surrender Rate:                                                 |                                 |                |                                                              |
|                                        |                              |                                                                                             | Retail FIA                                                      | 10.81%                          |                | Decrease                                                     |
|                                        |                              |                                                                                             | Institutional FIA                                               | 17.26%                          |                | Decrease                                                     |
|                                        |                              |                                                                                             | Variable annuity                                                |                                 | 3.45% - 41.68% | Decrease                                                     |
|                                        |                              |                                                                                             | Mortality Rate:                                                 |                                 |                |                                                              |
|                                        |                              |                                                                                             | Retail FIA                                                      | 2.12%                           |                | Decrease                                                     |
|                                        |                              |                                                                                             | Institutional FIA                                               | 2.01%                           |                | Decrease                                                     |
|                                        |                              |                                                                                             | Variable annuity                                                |                                 | 1.46% - 7.55%  | Decrease                                                     |
|                                        |                              |                                                                                             | Future costs for options used to hedge the contract obligations | Option Budge Assumption:        |                |                                                              |
|                                        |                              |                                                                                             | Retail FIA                                                      | 1.99%                           |                | Increase                                                     |
|                                        |                              |                                                                                             | Institutional FIA                                               | 2.36%                           |                | Increase                                                     |
|                                        |                              |                                                                                             | Variable annuity                                                | n/a                             |                |                                                              |
|                                        |                              |                                                                                             | Nonperformance Risk                                             | 0.98%                           | 0.61% - 1.42%  | Decrease                                                     |

| Level III Liabilities              | Fair Value December 31, 2023 | Valuation Methodologies                                                                                         | Unobservable Input(s) <sup>(1)</sup> | Weighted Average <sup>(2)</sup> | Range                                                                                                                                           | Impact to Valuation from an Increase in Input <sup>(3)</sup> |
|------------------------------------|------------------------------|-----------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| Closed block policy liabilities    | \$ 968,554                   | Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities. | Expense assumption                   | \$17.5                          | The average expense assumption is between \$8.2 and \$78.0 per policy, increased by inflation. The annual inflation rate was increased by 2.5%. | Increase                                                     |
|                                    |                              |                                                                                                                 | Instrument-specific credit risk      | 0.8%                            | 0.6% - 0.9%                                                                                                                                     | Decrease                                                     |
|                                    |                              |                                                                                                                 | Expense Risk Margin                  | 9.4%                            |                                                                                                                                                 | Decrease                                                     |
|                                    |                              |                                                                                                                 | Cost of Capital                      | 9.7%                            | 3.7% - 13.9%                                                                                                                                    | Increase                                                     |
|                                    |                              |                                                                                                                 | Discounted cash flow                 | Mortality Rate                  |                                                                                                                                                 | Increase                                                     |
|                                    |                              |                                                                                                                 |                                      | Surrender Rate                  |                                                                                                                                                 | Increase                                                     |
|                                    |                              |                                                                                                                 | Duration/Weighted Average Life       | 7.9 years                       | 0.0 years - 16.9 years                                                                                                                          | Decrease                                                     |
|                                    |                              |                                                                                                                 | Contractholder Persistency           | 4.5%                            | 2.0% - 24.9%                                                                                                                                    | Decrease                                                     |
|                                    |                              |                                                                                                                 | Instrument-specific credit risk      | 0.8%                            | 0.6% - 0.9%                                                                                                                                     | Decrease                                                     |
|                                    |                              |                                                                                                                 |                                      |                                 |                                                                                                                                                 |                                                              |
| Funds withheld payable at interest | \$ (2,447,303)               | Discounted cash flow                                                                                            |                                      |                                 |                                                                                                                                                 |                                                              |
|                                    |                              |                                                                                                                 |                                      |                                 |                                                                                                                                                 |                                                              |





|                                                |                                                |                     |             |                     |                     |                     |
|------------------------------------------------|------------------------------------------------|---------------------|-------------|---------------------|---------------------|---------------------|
| Funds withheld                                 |                                                |                     |             |                     |                     |                     |
| payables at interest                           |                                                |                     |             |                     |                     |                     |
| Funds withheld                                 |                                                |                     |             |                     |                     |                     |
| payables at interest                           |                                                |                     |             |                     |                     |                     |
| Funds withheld                                 | Funds withheld                                 |                     |             |                     |                     |                     |
| payables at interest                           | payables at interest                           | 26,227,183          | —           | 26,227,183          | —                   | 26,227,183          |
| Debt obligations                               | Debt obligations                               | 2,128,166           | —           | —                   | 1,698,526           | 1,698,526           |
| Securities sold under agreements to repurchase | Securities sold under agreements to repurchase | 805,316             | —           | 805,316             | —                   | 805,316             |
| <b>Total financial liabilities</b>             | <b>Total financial liabilities</b>             | <b>\$69,837,772</b> | <b>\$ —</b> | <b>\$62,940,683</b> | <b>\$ 4,110,486</b> | <b>\$67,051,169</b> |

Notes to Financial Statements (Continued)

|                                         |                                         | Fair Value Hierarchy |          |           |              |                |         |          |           |            |
|-----------------------------------------|-----------------------------------------|----------------------|----------|-----------|--------------|----------------|---------|----------|-----------|------------|
| As of December 31, 2021                 | Carrying Value                          | Level I              | Level II | Level III | Fair Value   |                |         |          |           |            |
| Fair Value Hierarchy                    |                                         |                      |          |           |              |                |         |          |           |            |
| As of December 31, 2022                 |                                         |                      |          |           |              |                |         |          |           |            |
| As of December 31, 2022                 |                                         |                      |          |           |              |                |         |          |           |            |
| As of December 31, 2022                 |                                         |                      |          |           |              |                |         |          |           |            |
| As of December 31, 2022                 |                                         |                      |          |           |              | Carrying Value | Level I | Level II | Level III | Fair Value |
| (\$ in thousands)                       | (\$ in thousands)                       |                      |          |           |              |                |         |          |           |            |
| Financial assets:                       | Financial assets:                       |                      |          |           |              |                |         |          |           |            |
| Financial assets:                       |                                         |                      |          |           |              |                |         |          |           |            |
| Financial assets:                       |                                         |                      |          |           |              |                |         |          |           |            |
| Insurance                               | Insurance                               |                      |          |           |              |                |         |          |           |            |
| Insurance                               |                                         |                      |          |           |              |                |         |          |           |            |
| Insurance                               |                                         |                      |          |           |              |                |         |          |           |            |
| Mortgage and other loan receivables     |                                         |                      |          |           |              |                |         |          |           |            |
| Mortgage and other loan receivables     |                                         |                      |          |           |              |                |         |          |           |            |
| Mortgage and other loan receivables     | Mortgage and other loan receivables     | \$28,044,085         | \$ —     | \$ —      | \$28,645,675 | \$28,645,675   |         |          |           |            |
| Policy loans                            | Policy loans                            | 765,310              | —        | —         | 754,530      | 754,530        |         |          |           |            |
| FHLB common stock and other investments | FHLB common stock and other investments | 171,842              | —        | —         | 171,842      | 171,842        |         |          |           |            |



|                                                    |                                                    |                     |                    |                     |                     |                     |
|----------------------------------------------------|----------------------------------------------------|---------------------|--------------------|---------------------|---------------------|---------------------|
| Funds withheld receivables at interest             | Funds withheld receivables at interest             | 2,967,708           | —                  | 2,967,708           | —                   | 2,967,708           |
| Cash and cash equivalents                          | Cash and cash equivalents                          | 3,391,934           | 3,391,934          | —                   | —                   | 3,391,934           |
| Restricted cash and cash equivalents               | Restricted cash and cash equivalents               | 300,404             | 300,404            | —                   | —                   | 300,404             |
| <b>Total financial assets</b>                      | <b>Total financial assets</b>                      | <b>\$35,641,283</b> | <b>\$3,692,338</b> | <b>\$ 2,967,708</b> | <b>\$29,572,047</b> | <b>\$36,232,093</b> |
| <b>Financial liabilities:</b>                      | <b>Financial liabilities:</b>                      |                     |                    |                     |                     |                     |
| Insurance                                          | Insurance                                          |                     |                    |                     |                     |                     |
| Other contractholder deposit funds                 | Other contractholder deposit funds                 | \$30,295,965        | \$ —               | \$28,419,520        | \$ —                | \$28,419,520        |
| Supplementary contracts without life contingencies | Supplementary contracts without life contingencies | 31,118              | —                  | —                   | 31,311              | 31,311              |
| Funding agreements                                 | Funding agreements                                 | 2,566,410           | —                  | —                   | 2,549,494           | 2,549,494           |
| Insurance                                          | Insurance                                          |                     |                    |                     |                     |                     |
| Policy liabilities - policyholder account balances | Policy liabilities - policyholder account balances |                     |                    |                     |                     |                     |
| Policy liabilities - policyholder account balances | Policy liabilities - policyholder account balances |                     |                    |                     |                     |                     |
| Policy liabilities - policyholder account balances | Policy liabilities - policyholder account balances |                     |                    |                     |                     |                     |
| Funds withheld payables at interest                | Funds withheld payables at interest                |                     |                    |                     |                     |                     |
| Funds withheld payables at interest                | Funds withheld payables at interest                |                     |                    |                     |                     |                     |
| Funds withheld payables at interest                | Funds withheld payables at interest                | 23,509,744          | —                  | 23,509,744          | —                   | 23,509,744          |
| Debt obligations                                   | Debt obligations                                   | 1,908,006           | —                  | —                   | 1,953,631           | 1,953,631           |
| Securities sold under agreements to repurchase     | Securities sold under agreements to repurchase     | 300,446             | —                  | 300,446             | —                   | 300,446             |
| <b>Total financial liabilities</b>                 | <b>Total financial liabilities</b>                 | <b>\$58,611,689</b> | <b>\$ —</b>        | <b>\$52,229,710</b> | <b>\$ 4,534,436</b> | <b>\$56,764,146</b> |

#### Notes to Financial Statements (Continued)

#### 11.10. FAIR VALUE OPTION

The following table summarizes the financial instruments for which the fair value option has been elected:

|                                     |                                     | December 31, 2022 |            | December 31, 2021 |            |
|-------------------------------------|-------------------------------------|-------------------|------------|-------------------|------------|
| <b>Assets</b>                       | <b>Assets</b>                       |                   |            |                   |            |
| <b>Assets</b>                       |                                     |                   |            |                   |            |
| <b>Assets</b>                       |                                     |                   |            |                   |            |
| <i>Asset Management</i>             |                                     |                   |            |                   |            |
| <i>Asset Management</i>             |                                     |                   |            |                   |            |
| <i>Asset Management</i>             | <i>Asset Management</i>             |                   |            |                   |            |
| <b>Credit</b>                       | <b>Credit</b>                       | \$                | 1,121,775  | \$                | 2,019,229  |
| Credit                              |                                     |                   |            |                   |            |
| Credit                              |                                     |                   |            |                   |            |
| Investments of Consolidated CFEs    |                                     |                   |            |                   |            |
| Investments of Consolidated CFEs    |                                     |                   |            |                   |            |
| Investments of Consolidated CFEs    | Investments of Consolidated CFEs    |                   | 22,492,366 |                   | 22,076,809 |
| <b>Real Assets</b>                  | <b>Real Assets</b>                  |                   | 202,153    |                   | 182,858    |
| Real Assets                         |                                     |                   |            |                   |            |
| Real Assets                         |                                     |                   |            |                   |            |
| Equity Method - Other               |                                     |                   |            |                   |            |
| Equity Method - Other               |                                     |                   |            |                   |            |
| Equity Method - Other               | Equity Method - Other               |                   | 2,943,387  |                   | 1,601,515  |
| <b>Other Investments</b>            | <b>Other Investments</b>            |                   | 88,046     |                   | 197,675    |
| Other Investments                   |                                     |                   |            |                   |            |
| Other Investments                   |                                     |                   |            |                   |            |
| Total Asset Management              |                                     |                   |            |                   |            |
| Total Asset Management              |                                     |                   |            |                   |            |
| Total Asset Management              | Total Asset Management              | \$                | 26,847,727 | \$                | 26,078,086 |
| <b>Insurance</b>                    | <b>Insurance</b>                    |                   |            |                   |            |
| <b>Insurance</b>                    |                                     |                   |            |                   |            |
| <b>Insurance</b>                    |                                     |                   |            |                   |            |
| Mortgage and other loan receivables |                                     |                   |            |                   |            |
| Mortgage and other loan receivables |                                     |                   |            |                   |            |
| Mortgage and other loan receivables | Mortgage and other loan receivables | \$                | 787,515    | \$                | 832,674    |
| <b>Other investments</b>            | <b>Other investments</b>            |                   | 335,168    |                   | 147,811    |
| Other investments                   |                                     |                   |            |                   |            |
| Other investments                   |                                     |                   |            |                   |            |
| Reinsurance recoverable             | Reinsurance recoverable             |                   | 981,775    |                   | 1,293,791  |
| Reinsurance recoverable             |                                     |                   |            |                   |            |
| Reinsurance recoverable             |                                     |                   |            |                   |            |
| Total Insurance                     |                                     |                   |            |                   |            |
| Total Insurance                     |                                     |                   |            |                   |            |
| Total Insurance                     | Total Insurance                     | \$                | 2,104,458  | \$                | 2,274,276  |
| <b>Total Assets</b>                 | <b>Total Assets</b>                 | \$                | 28,952,185 | \$                | 28,352,362 |
| <b>Total Assets</b>                 |                                     |                   |            |                   |            |
| <b>Total Assets</b>                 |                                     |                   |            |                   |            |
| <b>Liabilities</b>                  |                                     |                   |            |                   |            |
| <b>Liabilities</b>                  |                                     |                   |            |                   |            |
| <b>Liabilities</b>                  | <b>Liabilities</b>                  |                   |            |                   |            |
| <i>Asset Management</i>             | <i>Asset Management</i>             |                   |            |                   |            |

|                                       |                                       |    |            |               |
|---------------------------------------|---------------------------------------|----|------------|---------------|
| Asset Management                      |                                       |    |            |               |
| Asset Management                      |                                       |    |            |               |
| Debt Obligations of Consolidated CFEs |                                       |    |            |               |
| Debt Obligations of Consolidated CFEs |                                       |    |            |               |
| Debt Obligations of Consolidated CFEs | Debt Obligations of Consolidated CFEs | \$ | 22,273,242 | \$ 21,271,084 |
| Total Asset Management                | Total Asset Management                | \$ | 22,273,242 | \$ 21,271,084 |
| Total Asset Management                |                                       |    |            |               |
| Total Asset Management                |                                       |    |            |               |
| Insurance                             |                                       |    |            |               |
| Insurance                             |                                       |    |            |               |
| Insurance                             | Insurance                             |    |            |               |
| Policy liabilities                    | Policy liabilities                    | \$ | 1,410,951  | \$ 1,869,678  |
| Policy liabilities                    |                                       |    |            |               |
| Policy liabilities                    |                                       |    |            |               |
| Total Insurance                       |                                       |    |            |               |
| Total Insurance                       |                                       |    |            |               |
| Total Insurance                       | Total Insurance                       | \$ | 1,410,951  | \$ 1,869,678  |
| Total Liabilities                     | Total Liabilities                     | \$ | 23,684,193 | \$ 23,140,762 |
| Total Liabilities                     |                                       |    |            |               |
| Total Liabilities                     |                                       |    |            |               |

#### Notes to Financial Statements (Continued)

The following table presents the net realized and unrealized gains (losses) on financial instruments for which the fair value option was elected:

|                                       | For the Year Ended December 31, 2023 |                     |                     |
|---------------------------------------|--------------------------------------|---------------------|---------------------|
|                                       | Net Realized                         | Net Unrealized      |                     |
|                                       | Gains (Losses)                       | Gains (Losses)      | Total               |
| <b>Assets</b>                         |                                      |                     |                     |
| <i>Asset Management</i>               |                                      |                     |                     |
| Credit                                | \$ (85,682)                          | \$ 66,109           | \$ (19,573)         |
| Investments of Consolidated CFEs      | (104,196)                            | 1,019,063           | 914,867             |
| Real Assets                           | 51,637                               | (54,697)            | (3,060)             |
| Equity Method - Other                 | 170,909                              | 61,205              | 232,114             |
| Other Investments                     | 1,455                                | (813)               | 642                 |
| Total Asset Management                | \$ 34,123                            | \$ 1,090,867        | \$ 1,124,990        |
| <i>Insurance</i>                      |                                      |                     |                     |
| Mortgage and other loan receivables   | \$ —                                 | \$ (1,342)          | \$ (1,342)          |
| Other investments                     | —                                    | (65,414)            | (65,414)            |
| Total Insurance                       | \$ —                                 | \$ (66,756)         | \$ (66,756)         |
| <b>Total Assets</b>                   | <b>\$ 34,123</b>                     | <b>\$ 1,024,111</b> | <b>\$ 1,058,234</b> |
| <b>Liabilities</b>                    |                                      |                     |                     |
| <i>Asset Management</i>               |                                      |                     |                     |
| Debt Obligations of Consolidated CFEs | \$ (1,212)                           | \$ (1,015,491)      | \$ (1,016,703)      |
| Total Asset Management                | \$ (1,212)                           | \$ (1,015,491)      | \$ (1,016,703)      |
| <i>Insurance</i>                      |                                      |                     |                     |
| Policy liabilities                    | \$ —                                 | \$ 62,621           | \$ 62,621           |
| Total Insurance                       | \$ —                                 | \$ 62,621           | \$ 62,621           |
| <b>Total Liabilities</b>              | <b>\$ (1,212)</b>                    | <b>\$ (952,870)</b> | <b>\$ (954,082)</b> |

## Notes to Financial Statements (Continued)

|                                     |                                | For the Year Ended December 31, 2022 |
|-------------------------------------|--------------------------------|--------------------------------------|
|                                     |                                | For the Year Ended December 31, 2022 |
|                                     |                                | For the Year Ended December 31, 2022 |
|                                     | Net Realized<br>Gains (Losses) |                                      |
|                                     | Net Realized<br>Gains (Losses) |                                      |
|                                     | Net Realized<br>Gains (Losses) |                                      |
| <b>Assets</b>                       |                                |                                      |
| <b>Assets</b>                       |                                |                                      |
| <b>Assets</b>                       |                                |                                      |
| <i>Asset Management</i>             |                                |                                      |
| <i>Asset Management</i>             |                                |                                      |
| <i>Asset Management</i>             |                                |                                      |
| Credit                              |                                |                                      |
| Credit                              |                                |                                      |
| Credit                              |                                |                                      |
| Investments of Consolidated CFEs    |                                |                                      |
| Investments of Consolidated CFEs    |                                |                                      |
| Investments of Consolidated CFEs    |                                |                                      |
| Real Assets                         |                                |                                      |
| Real Assets                         |                                |                                      |
| Real Assets                         |                                |                                      |
| Equity Method - Other               |                                |                                      |
| Equity Method - Other               |                                |                                      |
| Equity Method - Other               |                                |                                      |
| Other Investments                   |                                |                                      |
| Other Investments                   |                                |                                      |
| Other Investments                   |                                |                                      |
| Total Asset Management              |                                |                                      |
| Total Asset Management              |                                |                                      |
| Total Asset Management              |                                |                                      |
| <i>Insurance</i>                    |                                |                                      |
| <i>Insurance</i>                    |                                |                                      |
| <i>Insurance</i>                    |                                |                                      |
| Mortgage and other loan receivables |                                |                                      |
| Mortgage and other loan receivables |                                |                                      |
| Mortgage and other loan receivables |                                |                                      |
| Other investments                   |                                |                                      |
| Other investments                   |                                |                                      |
| Other investments                   |                                |                                      |
| Total Insurance                     |                                |                                      |
| Total Insurance                     |                                |                                      |
| Total Insurance                     |                                |                                      |
| <b>Total Assets</b>                 |                                |                                      |
| <b>Total Assets</b>                 |                                |                                      |
| <b>Total Assets</b>                 |                                |                                      |

[illegible]

|                                  | For the Year Ended December 31, 2022 |                               |             |              |
|----------------------------------|--------------------------------------|-------------------------------|-------------|--------------|
|                                  | Net Realized<br>Gains (Losses)       | Net Unrealized Gains (Losses) | Total       |              |
| Assets                           | Assets                               |                               |             |              |
| Assets                           |                                      |                               |             |              |
| Assets                           |                                      |                               |             |              |
| Asset Management                 | Asset Management                     |                               |             |              |
| Asset Management                 |                                      |                               |             |              |
| Asset Management                 |                                      |                               |             |              |
| Credit                           |                                      |                               |             |              |
| Credit                           |                                      |                               |             |              |
| Credit                           | Credit                               | \$ (103,860)                  | \$ (9,326)  | \$ (113,186) |
| Investments of Consolidated CFES | Investments of Consolidated CFES     | (69,234)                      | (1,437,482) | (1,506,716)  |
| Investments of Consolidated CFES |                                      |                               |             |              |
| Investments of Consolidated CFES |                                      |                               |             |              |
| Real Assets                      |                                      |                               |             |              |
| Real Assets                      |                                      |                               |             |              |
| Real Assets                      | Real Assets                          | 85                            | 19,295      | 19,380       |
| Equity Method - Other            | Equity Method - Other                | (14,891)                      | (201,935)   | (216,826)    |
| Equity Method - Other            |                                      |                               |             |              |
| Equity Method - Other            |                                      |                               |             |              |
| Other Investments                |                                      |                               |             |              |
| Other Investments                |                                      |                               |             |              |

|                                       |                                       |                             |                               |                |
|---------------------------------------|---------------------------------------|-----------------------------|-------------------------------|----------------|
| Other Investments                     | Other Investments                     | 6,657                       | (9,927)                       | (3,270)        |
| Total Asset Management                | Total Asset Management                | \$ (181,243)                | \$ (1,639,375)                | \$ (1,820,618) |
| Total Asset Management                |                                       |                             |                               |                |
| Total Asset Management                |                                       |                             |                               |                |
| Insurance                             |                                       |                             |                               |                |
| Insurance                             |                                       |                             |                               |                |
| Insurance                             | Insurance                             |                             |                               |                |
| Mortgage and other loan receivables   | Mortgage and other loan receivables   | \$ —                        | \$ (96,569)                   | \$ (96,569)    |
| Mortgage and other loan receivables   |                                       |                             |                               |                |
| Mortgage and other loan receivables   |                                       |                             |                               |                |
| Other investments                     | Other investments                     | —                           | 153,109                       | 153,109        |
| Other investments                     |                                       |                             |                               |                |
| Other investments                     |                                       |                             |                               |                |
| Total Insurance                       |                                       |                             |                               |                |
| Total Insurance                       |                                       |                             |                               |                |
| Total Insurance                       | Total Insurance                       | \$ —                        | \$ 56,540                     | \$ 56,540      |
| Total Assets                          | Total Assets                          | \$ (181,243)                | \$ (1,582,835)                | \$ (1,764,078) |
| Total Assets                          |                                       |                             |                               |                |
| Total Assets                          |                                       |                             |                               |                |
| Liabilities                           |                                       |                             |                               |                |
| Liabilities                           |                                       |                             |                               |                |
| Liabilities                           | Liabilities                           |                             |                               |                |
| Asset Management                      | Asset Management                      |                             |                               |                |
| Asset Management                      |                                       |                             |                               |                |
| Asset Management                      |                                       |                             |                               |                |
| Debt Obligations of Consolidated CFES |                                       |                             |                               |                |
| Debt Obligations of Consolidated CFES |                                       |                             |                               |                |
| Debt Obligations of Consolidated CFES | Debt Obligations of Consolidated CFES | \$ (785)                    | \$ 1,175,161                  | \$ 1,174,376   |
| Total Asset Management                | Total Asset Management                | \$ (785)                    | \$ 1,175,161                  | \$ 1,174,376   |
| Total Asset Management                |                                       |                             |                               |                |
| Total Asset Management                |                                       |                             |                               |                |
| Insurance                             |                                       |                             |                               |                |
| Insurance                             |                                       |                             |                               |                |
| Insurance                             | Insurance                             |                             |                               |                |
| Policy liabilities                    | Policy liabilities                    | \$ —                        | \$ 120,596                    | \$ 120,596     |
| Policy liabilities                    |                                       |                             |                               |                |
| Policy liabilities                    |                                       |                             |                               |                |
| Total Insurance                       |                                       |                             |                               |                |
| Total Insurance                       |                                       |                             |                               |                |
| Total Insurance                       | Total Insurance                       | \$ —                        | \$ 120,596                    | \$ 120,596     |
| Total Liabilities                     | Total Liabilities                     | \$ (785)                    | \$ 1,295,757                  | \$ 1,294,972   |
| For the Year Ended December 31, 2021  |                                       |                             |                               |                |
|                                       |                                       | Net Realized Gains (Losses) | Net Unrealized Gains (Losses) | Total          |
| Assets                                |                                       |                             |                               |                |
| Asset Management                      |                                       |                             |                               |                |
| Credit                                |                                       | \$ 43,227                   | \$ 19,833                     | \$ 63,060      |
| Investments of Consolidated CFES      |                                       | 62,075                      | 134,174                       | 196,249        |

|                                       |                   |                    |                     |
|---------------------------------------|-------------------|--------------------|---------------------|
| Real Assets                           | (1,133)           | 16,375             | 15,242              |
| Equity Method - Other                 | 404,513           | (90,867)           | 313,646             |
| Other Investments                     | 15,816            | 26,639             | 42,455              |
| <b>Total Asset Management</b>         | <b>\$ 524,498</b> | <b>\$ 106,154</b>  | <b>\$ 630,652</b>   |
| <i>Insurance</i>                      |                   |                    |                     |
| Mortgage and other loan receivables   | \$ —              | \$ (2,257)         | \$ (2,257)          |
| Other investments                     | —                 | 490,607            | 490,607             |
| <b>Total Insurance</b>                | <b>\$ —</b>       | <b>\$ 488,350</b>  | <b>\$ 488,350</b>   |
| <b>Total Assets</b>                   | <b>\$ 524,498</b> | <b>\$ 594,504</b>  | <b>\$ 1,119,002</b> |
| <b>Liabilities</b>                    |                   |                    |                     |
| <i>Asset Management</i>               |                   |                    |                     |
| Debt Obligations of Consolidated CFEs | \$ 47,179         | \$ (72,376)        | (25,197)            |
| <b>Total Asset Management</b>         | <b>\$ 47,179</b>  | <b>\$ (72,376)</b> | <b>\$ (25,197)</b>  |
| <i>Insurance</i>                      |                   |                    |                     |
| Policy liabilities                    | \$ —              | \$ 122,738         | \$ 122,738          |
| <b>Total Insurance</b>                | <b>\$ —</b>       | <b>\$ 122,738</b>  | <b>\$ 122,738</b>   |
| <b>Total Liabilities</b>              |                   |                    |                     |
| <b>Total Liabilities</b>              | <b>\$ 47,179</b>  | <b>\$ 50,362</b>   | <b>\$ 97,541</b>    |

### Notes to Financial Statements (Continued)

|                                       | For the Year Ended December 31, 2020 |                                  |                    |
|---------------------------------------|--------------------------------------|----------------------------------|--------------------|
|                                       | Net Realized<br>Gains (Losses)       | Net Unrealized<br>Gains (Losses) | Total              |
| <b>Assets</b>                         |                                      |                                  |                    |
| <i>Asset Management</i>               |                                      |                                  |                    |
| Credit                                | \$ 18,672                            | \$ (14,743)                      | \$ 3,929           |
| Investments of Consolidated CFEs      | (188,506)                            | 102,798                          | (85,708)           |
| Real Assets                           | 281                                  | (11,545)                         | (11,264)           |
| Equity Method - Other                 | (71,214)                             | 331,062                          | 259,848            |
| Other Investments                     | (61,001)                             | 56,437                           | (4,564)            |
| <b>Total Asset Management</b>         | <b>\$ (301,768)</b>                  | <b>\$ 464,009</b>                | <b>\$ 162,241</b>  |
| <i>Insurance</i>                      |                                      |                                  |                    |
| Mortgage and other loan receivables   | \$ —                                 | \$ —                             | \$ —               |
| Other investments                     | —                                    | —                                | —                  |
| <b>Total Insurance</b>                | <b>\$ —</b>                          | <b>\$ —</b>                      | <b>\$ —</b>        |
| <b>Total Assets</b>                   | <b>\$ (301,768)</b>                  | <b>\$ 464,009</b>                | <b>\$ 162,241</b>  |
| <b>Liabilities</b>                    |                                      |                                  |                    |
| <i>Asset Management</i>               |                                      |                                  |                    |
| Debt Obligations of Consolidated CFEs | \$ 218                               | \$ (99,721)                      | (99,503)           |
| <b>Total Asset Management</b>         | <b>\$ 218</b>                        | <b>\$ (99,721)</b>               | <b>\$ (99,503)</b> |
| <i>Insurance</i>                      |                                      |                                  |                    |
| Policy liabilities                    | \$ —                                 | \$ —                             | \$ —               |
| <b>Total Insurance</b>                | <b>\$ —</b>                          | <b>\$ —</b>                      | <b>\$ —</b>        |
| <b>Total Liabilities</b>              | <b>\$ 218</b>                        | <b>\$ (99,721)</b>               | <b>\$ (99,503)</b> |

### 12. 11. INSURANCE INTANGIBLES, UNEARNED REVENUE RESERVES AND UNEARNED FRONT-END LOADS



The following reflects the changes reconciliation of the components of insurance intangibles to the DAC asset:

|                                                                               | Years Ended December 31, |            |
|-------------------------------------------------------------------------------|--------------------------|------------|
|                                                                               | 2022                     | 2021       |
| Balance, as of beginning of period                                            | \$ 447,886               | \$ —       |
| Deferrals                                                                     | 486,992                  | 459,781    |
| Amortized to expense during the period <sup>(1)</sup>                         | (84,445)                 | (23,492)   |
| Adjustment for unrealized investment-related (gains) losses during the period | (21,435)                 | 11,597     |
| Balance, as of end of period                                                  | \$ 828,998               | \$ 447,886 |

<sup>(1)</sup> These amounts are total balance reported within amortization of policy acquisition costs in the consolidated statements of operations. financial condition as of December 31, 2023 and 2022:

|                                 | December 31, |              |
|---------------------------------|--------------|--------------|
|                                 | 2023         | 2022         |
| Deferred acquisition costs      | \$ 1,154,697 | \$ 820,970   |
| Value of business acquired      | 1,252,984    | 1,316,529    |
| Cost-of-reinsurance intangibles | 2,043,143    | 193,995      |
| Total insurance intangibles     | \$ 4,450,824 | \$ 2,331,494 |

#### Deferred acquisition costs

The following reflects tables reflect the changes to the VOBA asset:

|                                                       | Years Ended December 31, |              |
|-------------------------------------------------------|--------------------------|--------------|
|                                                       | 2022                     | 2021         |
| Balance, as of beginning of period                    | \$ 959,263               | \$ 1,024,520 |
| Amortized to expense during the period <sup>(1)</sup> | (65,580)                 | (65,257)     |
| Balance, as of end of period                          | \$ 893,683               | \$ 959,263   |

<sup>(1)</sup> These amounts are reported within amortization of policy deferred acquisition costs in roll-forward by product category for the consolidated statements of operations. years ended December 31, 2023, 2022 and 2021:

|                                            | Year ended December 31, 2023 |                         |                         |            |              |
|--------------------------------------------|------------------------------|-------------------------|-------------------------|------------|--------------|
|                                            | Fixed rate annuities         | Fixed indexed annuities | Interest sensitive life | Other      | Total        |
| Balance, as of the beginning of the period | \$ 221,679                   | \$ 367,813              | \$ 116,021              | \$ 115,457 | \$ 820,970   |
| Capitalizations                            | 218,243                      | 175,869                 | 23,592                  | 66,458     | 484,162      |
| Amortization expense                       | (66,059)                     | (61,712)                | (7,534)                 | (15,130)   | (150,435)    |
| Balance, as of the end of the period       | \$ 373,863                   | \$ 481,970              | \$ 132,079              | \$ 166,785 | \$ 1,154,697 |

|                                            | Year ended December 31, 2022 |                         |                         |            |            |
|--------------------------------------------|------------------------------|-------------------------|-------------------------|------------|------------|
|                                            | Fixed rate annuities         | Fixed indexed annuities | Interest sensitive life | Other      | Total      |
| Balance, as of the beginning of the period | \$ 107,104                   | \$ 179,449              | \$ 54,298               | \$ 56,730  | \$ 397,581 |
| Capitalizations                            | 144,635                      | 220,866                 | 67,892                  | 69,515     | 502,908    |
| Amortization expense                       | (30,060)                     | (32,502)                | (6,169)                 | (10,788)   | (79,519)   |
| Balance, as of the end of the period       | \$ 221,679                   | \$ 367,813              | \$ 116,021              | \$ 115,457 | \$ 820,970 |

|                                            | Year ended December 31, 2021 |                         |                         |           |            |
|--------------------------------------------|------------------------------|-------------------------|-------------------------|-----------|------------|
|                                            | Fixed rate annuities         | Fixed indexed annuities | Interest sensitive life | Other     | Total      |
| Balance, as of the beginning of the period | \$ —                         | \$ —                    | \$ —                    | \$ —      | \$ —       |
| Capitalizations                            | 116,231                      | 187,301                 | 55,636                  | 59,427    | 418,595    |
| Amortization expense                       | (9,127)                      | (7,852)                 | (1,338)                 | (2,697)   | (21,014)   |
| Balance, as of the end of the period       | \$ 107,104                   | \$ 179,449              | \$ 54,298               | \$ 56,730 | \$ 397,581 |

#### Value of business acquired

The following tables reflect the value of business acquired, or "VOBA" asset roll-forward by product category for the years ended December 31, 2023, 2022 and 2021:

|                                             | Year ended December 31, 2023 |                   |                         |                    |                  |                     |
|---------------------------------------------|------------------------------|-------------------|-------------------------|--------------------|------------------|---------------------|
|                                             | Fixed indexed                |                   |                         |                    |                  | Total               |
|                                             | Fixed rate annuities         | annuities         | Interest sensitive life | Variable annuities | Other            |                     |
| Balance, as of the beginning of the period  | \$ 48,762                    | \$ 663,296        | \$ 276,795              | \$ 241,778         | \$ 85,898        | \$ 1,316,529        |
| Amortization expense                        | (3,840)                      | (41,924)          | (13,853)                | 3,264              | (7,192)          | (63,545)            |
| <b>Balance, as of the end of the period</b> | <b>\$ 44,922</b>             | <b>\$ 621,372</b> | <b>\$ 262,942</b>       | <b>\$ 245,042</b>  | <b>\$ 78,706</b> | <b>\$ 1,252,984</b> |

# Notes to Financial Statements (Continued)

|                                             | Year ended December 31, 2022 |                   |                         |                    |                  |                     |
|---------------------------------------------|------------------------------|-------------------|-------------------------|--------------------|------------------|---------------------|
|                                             | Fixed indexed                |                   |                         |                    |                  | Total               |
|                                             | Fixed rate annuities         | annuities         | Interest sensitive life | Variable annuities | Other            |                     |
| Balance, as of the beginning of the period  | \$ 52,723                    | \$ 709,271        | \$ 292,323              | \$ 269,172         | \$ 94,479        | \$ 1,417,968        |
| Amortization expense                        | (3,961)                      | (45,975)          | (15,528)                | (27,394)           | (8,581)          | (101,439)           |
| <b>Balance, as of the end of the period</b> | <b>\$ 48,762</b>             | <b>\$ 663,296</b> | <b>\$ 276,795</b>       | <b>\$ 241,778</b>  | <b>\$ 85,898</b> | <b>\$ 1,316,529</b> |

|                                             | Year ended December 31, 2021 |                   |                         |                    |                  |                     |
|---------------------------------------------|------------------------------|-------------------|-------------------------|--------------------|------------------|---------------------|
|                                             | Fixed indexed                |                   |                         |                    |                  | Total               |
|                                             | Fixed rate annuities         | annuities         | Interest sensitive life | Variable annuities | Other            |                     |
| Balance, as of the beginning of the period  | \$ 56,563                    | \$ 756,519        | \$ 307,908              | \$ 294,987         | \$ 101,338       | \$ 1,517,315        |
| Amortization expense                        | (3,840)                      | (47,248)          | (15,585)                | (25,815)           | (6,859)          | (99,347)            |
| <b>Balance, as of the end of the period</b> | <b>\$ 52,723</b>             | <b>\$ 709,271</b> | <b>\$ 292,323</b>       | <b>\$ 269,172</b>  | <b>\$ 94,479</b> | <b>\$ 1,417,968</b> |

The following reflects the changes to tables reflect the negative VOBA liability: value of business acquired, or "negative VOBA" liability roll-forward by product category for the years ended December 31, 2023, 2022 and 2021:

|                                                       | Years Ended December 31, |                     |
|-------------------------------------------------------|--------------------------|---------------------|
|                                                       | 2022                     | 2021                |
|                                                       |                          |                     |
| <b>Balance, as of beginning of period</b>             | \$ 1,118,716             | \$ 1,273,414        |
| Amortized to expense during the period <sup>(1)</sup> | (139,035)                | (154,698)           |
| <b>Balance, as of end of period</b>                   | <b>\$ 979,681</b>        | <b>\$ 1,118,716</b> |

<sup>(1)</sup> These amounts are reported within amortization of policy acquisition costs in the consolidated statements of operations.

|                                             | Year ended December 31, 2023 |                   |                         |                    |                   |                   |
|---------------------------------------------|------------------------------|-------------------|-------------------------|--------------------|-------------------|-------------------|
|                                             | Fixed indexed                |                   |                         |                    |                   | Total             |
|                                             | Fixed rate annuities         | annuities         | Interest sensitive life | Variable annuities | Other             |                   |
| Balance, as of the beginning of the period  | \$ 98,342                    | \$ 145,610        | \$ 461,592              | \$ 99,776          | \$ 198,804        | \$ 1,004,124      |
| Amortization expense                        | (32,376)                     | (39,072)          | (40,379)                | (8,481)            | (15,884)          | (136,192)         |
| <b>Balance, as of the end of the period</b> | <b>\$ 65,966</b>             | <b>\$ 106,538</b> | <b>\$ 421,213</b>       | <b>\$ 91,295</b>   | <b>\$ 182,920</b> | <b>\$ 867,932</b> |

|                                             | Year ended December 31, 2022 |                   |                         |                    |                   |                     |
|---------------------------------------------|------------------------------|-------------------|-------------------------|--------------------|-------------------|---------------------|
|                                             | Fixed indexed                |                   |                         |                    |                   | Total               |
|                                             | Fixed rate annuities         | annuities         | Interest sensitive life | Variable annuities | Other             |                     |
| Balance, as of the beginning of the period  | \$ 136,227                   | \$ 184,664        | \$ 500,264              | \$ 109,826         | \$ 211,296        | \$ 1,142,277        |
| Amortization expense                        | (37,885)                     | (39,054)          | (38,672)                | (10,050)           | (12,492)          | (138,153)           |
| <b>Balance, as of the end of the period</b> | <b>\$ 98,342</b>             | <b>\$ 145,610</b> | <b>\$ 461,592</b>       | <b>\$ 99,776</b>   | <b>\$ 198,804</b> | <b>\$ 1,004,124</b> |

|                                            | Year ended December 31, 2021 |            |                         |                    |            |              |
|--------------------------------------------|------------------------------|------------|-------------------------|--------------------|------------|--------------|
|                                            | Fixed indexed                |            |                         |                    |            | Total        |
|                                            | Fixed rate annuities         | annuities  | Interest sensitive life | Variable annuities | Other      |              |
| Balance, as of the beginning of the period | \$ 180,769                   | \$ 222,135 | \$ 550,738              | \$ 119,122         | \$ 226,485 | \$ 1,299,249 |

|                                             |                   |                   |                   |                   |                   |                     |
|---------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Amortization expense                        | (44,542)          | (37,471)          | (50,474)          | (9,296)           | (15,189)          | (156,972)           |
| <b>Balance, as of the end of the period</b> | <b>\$ 136,227</b> | <b>\$ 184,664</b> | <b>\$ 500,264</b> | <b>\$ 109,826</b> | <b>\$ 211,296</b> | <b>\$ 1,142,277</b> |

Estimated future amortization of VOBA and Negative VOBA as of **December 31, 2022** December 31, 2023 is as follows:

| Years               | VOBA              | Negative VOBA       | Total, net         |
|---------------------|-------------------|---------------------|--------------------|
| 2023                | \$ 59,826         | \$ (117,695)        | \$ (57,869)        |
| 2024                | 56,255            | (95,547)            | (39,292)           |
| 2025                | 53,033            | (78,281)            | (25,248)           |
| 2026                | 49,998            | (64,462)            | (14,464)           |
| 2027                | 47,135            | (54,789)            | (7,654)            |
| 2028 and thereafter | 627,436           | (568,907)           | 58,529             |
| <b>Total</b>        | <b>\$ 893,683</b> | <b>\$ (979,681)</b> | <b>\$ (85,998)</b> |

The following reflects the changes to the URR and UFEL:

|                                                                      | Years Ended December 31, |                  |
|----------------------------------------------------------------------|--------------------------|------------------|
|                                                                      | 2022                     | 2021             |
| <b>Balance, as of beginning of period</b>                            | \$ 33,604                | \$ —             |
| Deferrals                                                            | 69,548                   | 57,649           |
| Amortized to expense during the period <sup>(1)</sup>                | (23,886)                 | (12,247)         |
| Adjustment for unrealized investment-related gains during the period | (79,266)                 | (11,798)         |
| <b>Balance, as of end of period</b>                                  | <b>\$ —</b>              | <b>\$ 33,604</b> |

<sup>(1)</sup> These amounts are reported within policy fees in the consolidated statements of operations.

| Years        | VOBA                | Negative VOBA       | Total, net        |
|--------------|---------------------|---------------------|-------------------|
| 2024         | \$ 84,836           | \$ (103,411)        | \$ (18,575)       |
| 2025         | 80,544              | (83,505)            | (2,961)           |
| 2026         | 75,528              | (68,168)            | 7,360             |
| 2027         | 71,497              | (57,616)            | 13,881            |
| 2028         | 67,669              | (49,748)            | 17,921            |
| Thereafter   | 872,910             | (505,484)           | 367,426           |
| <b>Total</b> | <b>\$ 1,252,984</b> | <b>\$ (867,932)</b> | <b>\$ 385,052</b> |

## Notes to Financial Statements (Continued)

### Unearned revenue reserves and unearned front-end loads

|                                                   | Years Ended December 31, |                   |                  |
|---------------------------------------------------|--------------------------|-------------------|------------------|
|                                                   | 2023                     | 2022              | 2021             |
|                                                   | Preneed                  |                   |                  |
| <b>Balance, as of the beginning of the period</b> | \$ 118,186               | \$ 55,510         | \$ —             |
| Deferral                                          | 71,798                   | 69,548            | 57,649           |
| Amortized to income during the year               | (11,931)                 | (6,872)           | (2,139)          |
| <b>Balance, as of the end of the period</b>       | <b>\$ 178,053</b>        | <b>\$ 118,186</b> | <b>\$ 55,510</b> |

### Significant inputs, judgments, assumptions for DAC and related amortization amounts

Global Atlantic considers surrender rates, mortality rates, and other relevant policy decrements in determining the expected life of the contract. As a part of Global Atlantic's actual experience update for the year ended December 31, 2023, Global Atlantic updated mortality and surrender assumptions. These updates reduced the amortization rate for DAC and related amortization amounts by \$4.4 million per year. For the year ended December 31, 2022, Global Atlantic observed that there was no significant change in relevant inputs, judgments, or assumptions requiring an update of the amortization rate for DAC and related amortization amounts.

## Notes to Financial Statements (Continued)

Global Atlantic maintains a number of reinsurance treaties with third parties whereby Global Atlantic assumes annuity and life policies on a coinsurance, modified coinsurance or funds withheld basis. Global Atlantic also maintains other reinsurance treaties including the cession of certain annuity, life and health policies.

|                      |                      | December 31, 2022    | December 31, 2021    |
|----------------------|----------------------|----------------------|----------------------|
| December 31, 2023    |                      | December 31, 2023    |                      |
| December 31, 2022    |                      | December 31, 2022    |                      |
| Policy liabilities:  | Policy liabilities:  |                      |                      |
| Direct               | Direct               |                      |                      |
| Direct               | Direct               |                      |                      |
| Direct               | Direct               | \$ 71,758,288        | \$ 67,131,818        |
| Assumed              | Assumed              | 69,464,999           | 59,388,226           |
| <b>Total</b>         | <b>Total</b>         | <b>141,223,287</b>   | <b>126,520,044</b>   |
| policy liabilities   | policy liabilities   |                      |                      |
| Ceded <sup>(1)</sup> | Ceded <sup>(1)</sup> | (27,662,874)         | (25,035,228)         |
| <b>Net</b>           | <b>Net</b>           | <b>\$113,560,413</b> | <b>\$101,484,816</b> |
| policy liabilities   | policy liabilities   |                      |                      |

Notes to Financial Statements (Continued)

| As of December 31, 2022     |                             |                                            |                     |                                 |                                            |                     |                                 | As of December 31, 2021 |                  |                                            |                     |                                 |                                            |                     |  |
|-----------------------------|-----------------------------|--------------------------------------------|---------------------|---------------------------------|--------------------------------------------|---------------------|---------------------------------|-------------------------|------------------|--------------------------------------------|---------------------|---------------------------------|--------------------------------------------|---------------------|--|
| As of December 31, 2023     |                             |                                            |                     |                                 |                                            |                     |                                 | As of December 31, 2023 |                  |                                            |                     |                                 |                                            |                     |  |
|                             |                             | Reinsurance recoverable and funds withheld |                     |                                 | Reinsurance recoverable and funds withheld |                     |                                 |                         |                  | Reinsurance recoverable and funds withheld |                     |                                 | Reinsurance recoverable and funds withheld |                     |  |
| A.M. Best Rating            | A.M. Best Rating            | at interest                                | Credit enhancements | Net reinsurance credit exposure | at interest                                | Credit enhancements | Net reinsurance credit exposure | A.M. Best Rating        | A.M. Best Rating | at interest                                | Credit enhancements | Net reinsurance credit exposure | at interest                                | Credit enhancements |  |
| A++                         | A++                         | \$ 62,674                                  | \$ —                | \$ 62,674                       | \$ 7,911                                   | \$ —                | \$ 7,911                        |                         |                  |                                            |                     |                                 |                                            |                     |  |
| A+                          | A+                          | 1,849,918                                  | —                   | 1,849,918                       | 1,989,426                                  | —                   | 1,989,426                       |                         |                  |                                            |                     |                                 |                                            |                     |  |
| A                           | A                           | 2,491,461                                  | —                   | 2,491,461                       | 2,652,286                                  | —                   | 2,652,286                       |                         |                  |                                            |                     |                                 |                                            |                     |  |
| A-                          | A-                          | 5,397,767                                  | 4,197,739           | 1,200,028                       | 5,645,633                                  | 5,166,559           | 479,074                         |                         |                  |                                            |                     |                                 |                                            |                     |  |
| B++                         | B++                         | 37,939                                     | —                   | 37,939                          | 33,410                                     | —                   | 33,410                          |                         |                  |                                            |                     |                                 |                                            |                     |  |
| B+                          | B+                          | —                                          | —                   | —                               | 1,122                                      | —                   | 1,122                           |                         |                  |                                            |                     |                                 |                                            |                     |  |
| B                           | B                           | —                                          | —                   | —                               | 9,227                                      | —                   | 9,227                           |                         |                  |                                            |                     |                                 |                                            |                     |  |
| B-                          | B-                          | (221)                                      | —                   | —                               | 1,274                                      | —                   | 1,274                           |                         |                  |                                            |                     |                                 |                                            |                     |  |
| C++/C+                      |                             |                                            |                     |                                 |                                            |                     |                                 |                         |                  |                                            |                     |                                 |                                            |                     |  |
| Not rated or private rating | Not rated or private rating | 20,994,058                                 | 18,541,678          | 2,452,380                       | 17,698,613                                 | 18,323,795          | —                               |                         |                  |                                            |                     |                                 |                                            |                     |  |
| Total                       | Total                       | \$ 30,833,596                              | \$ 22,739,417       | \$ 8,094,400                    | \$ 28,038,902                              | \$ 23,490,354       | \$ 5,173,730                    |                         |                  |                                            |                     |                                 |                                            |                     |  |

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- (2) At amortized cost, excluding any associated embedded derivative assets and liabilities.
- (3) Includes funds withheld payable at interest and deferred intangible reinsurance assets and liabilities.
- (4) Includes credit loss allowance of \$41.2 million \$21.0 million and \$8.4 million \$41.2 million as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively, held against reinsurance recoverable.
- (5) Includes \$21.0 billion \$30.8 billion and \$17.7 billion \$19.7 billion as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively, associated with cessions to Ivy Re Limited and Ivy Re II Limited co-investment vehicles (the "Ivy Vehicles" "sponsored reinsurance sidecar vehicles"), which are co-investment vehicles that participate in qualifying reinsurance transactions sourced by Global Atlantic.

As of December 31, 2022 December 31, 2023 and 2021, 2022, Global Atlantic had \$2.9 billion \$2.7 billion and \$3.0 billion \$2.9 billion of funds withheld receivable at interest, respectively, with six counterparties related to modified coinsurance and funds withheld contracts, respectively, contracts. The assets supporting these receivables were held in trusts and not part of the respective counterparty's general accounts.

## Notes to Financial Statements (Continued)

The effects of reinsurance on the consolidated statements of operations were as follows:

|  |  | Years Ended December 31, |      |  |  |  |  |
|--|--|--------------------------|------|--|--|--|--|
|  |  | 2022                     | 2021 |  |  |  |  |
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(1) Includes related party activity of \$6.2 million for the year ended December 31, 2021.

## Notes to Financial Statements (Continued)

|                                 |                                 | Years Ended December 31, |             |
|---------------------------------|---------------------------------|--------------------------|-------------|
|                                 |                                 | 2022                     | 2021        |
|                                 |                                 | Years Ended December 31, |             |
|                                 |                                 | Years Ended December 31, |             |
|                                 |                                 | Years Ended December 31, |             |
|                                 |                                 | 2023                     | 2022        |
|                                 |                                 | 2023                     | 2021        |
| Net policy benefits and claims: | Net policy benefits and claims: |                          |             |
| Direct                          | Direct                          |                          |             |
| Direct                          | Direct                          |                          |             |
| Direct                          | Direct                          | \$1,266,262              | \$2,610,210 |
| Assumed <sup>(1)</sup>          | Assumed <sup>(1)</sup>          | 3,421,780                | 5,175,944   |
| Ceded                           | Ceded                           | (1,503,615)              | (2,730,445) |
| Net policy benefits and claims  | Net policy benefits and claims  | \$3,184,427              | \$5,055,709 |

(1) Includes related party activity of \$76.2 million \$76.2 million for the year ended December 31, 2021.

Global Atlantic holds collateral for and provides collateral to our its reinsurance clients. Global Atlantic held \$26.1 billion \$36.7 billion and \$23.4 billion \$26.1 billion of collateral in the form of funds withheld payable on behalf of our its reinsurers as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively. As of both December 31, 2022 December 31, 2023 and 2021, 2022, reinsurers held collateral of \$1.2 billion and \$1.3 billion on behalf of Global Atlantic. Atlantic, respectively. A significant portion of the collateral that Global Atlantic provides to its reinsurance clients is provided in the form of assets held in a trust for the benefit of the counterparty. As of December 31, 2022 December 31, 2023 and 2021, 2022, these trusts held in excess of the \$65.8 billion \$81.8 billion and \$55.2 billion \$65.8 billion of assets it is they are required to hold in order to support reserves of \$66.0 billion \$79.4 billion and \$55.8 billion \$62.4 billion, respectively. Of the cash held in trust, Global Atlantic classified \$31.3 million \$90.8 million and \$149.3 million \$31.3 million as restricted as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively.

## Notes to Financial Statements (Continued)

### 14.13. NET INCOME (LOSS) ATTRIBUTABLE TO KKR & CO. INC. PER SHARE OF COMMON STOCK

For the years ended December 31, 2022 December 31, 2023, 2021 2022 and 2020, 2021, basic and diluted Net Income (Loss) attributable to KKR & Co. Inc. per share of common stock were calculated as follows:

|                                                                   |  | For the Years Ended December 31, |             |             |
|-------------------------------------------------------------------|--|----------------------------------|-------------|-------------|
|                                                                   |  | 2022                             | 2021        | 2020        |
| Net Income (Loss)                                                 |  |                                  |             |             |
| Attributable to KKR & Co. Inc.                                    |  |                                  |             |             |
| Common Stockholders                                               |  | \$(910,130)                      | \$4,560,829 | \$1,945,954 |
| Years Ended December 31,                                          |  |                                  |             |             |
| (-) Accumulated Series C Mandatory Convertible Preferred Dividend |  | —                                | —           | 3,067       |

|                                                                                    |                                                                                    | 2023        | 2022        | 2021        |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------|-------------|-------------|
| Net Income (Loss)                                                                  |                                                                                    |             |             |             |
| Available to KKR & Co. Inc.                                                        |                                                                                    |             |             |             |
| Common Stockholders - Basic                                                        |                                                                                    |             |             |             |
| Net Income (Loss)                                                                  |                                                                                    |             |             |             |
| Available to KKR & Co. Inc.                                                        |                                                                                    |             |             |             |
| Common Stockholders - Basic                                                        |                                                                                    |             |             |             |
| Net Income (Loss)                                                                  | Net Income (Loss)                                                                  |             |             |             |
| Available to KKR & Co. Inc.                                                        | Available to KKR & Co. Inc.                                                        |             |             |             |
| Common Stockholders                                                                | Common Stockholders                                                                |             |             |             |
| - Basic                                                                            | - Basic                                                                            | \$(910,130) | \$4,560,829 | \$1,942,887 |
| (+) Series C Mandatory Convertible Preferred Dividend (if dilutive) <sup>(1)</sup> | (+) Series C Mandatory Convertible Preferred Dividend (if dilutive) <sup>(1)</sup> | —           | 69,000      | 26,258      |
| Net Income (Loss)                                                                  | Net Income (Loss)                                                                  |             |             |             |
| Available to KKR & Co. Inc.                                                        | Available to KKR & Co. Inc.                                                        |             |             |             |
| Common Stockholders                                                                | Common Stockholders                                                                |             |             |             |
| - Diluted                                                                          | - Diluted                                                                          | \$(910,130) | \$4,629,829 | \$1,969,145 |
| Basic Net Income (Loss) Per Share of Common Stock                                  | Basic Net Income (Loss) Per Share of Common Stock                                  |             |             |             |
| Basic Net Income (Loss) Per Share of Common Stock                                  | Basic Net Income (Loss) Per Share of Common Stock                                  |             |             |             |
| Weighted Average Shares of Common Stock Outstanding - Basic                        | Weighted Average Shares of Common Stock Outstanding - Basic                        |             |             |             |
| Weighted Average Shares of Common Stock Outstanding - Basic                        | Weighted Average Shares of Common Stock Outstanding - Basic                        |             |             |             |
| Weighted Average Shares of Common Stock Outstanding - Basic                        | Weighted Average Shares of Common Stock Outstanding - Basic                        | 749,504,970 | 582,258,984 | 562,812,883 |
| Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Basic | Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Basic | \$ (1.21)   | \$ 7.83     | \$ 3.45     |
| Diluted Net Income (Loss) Per Share of Common Stock                                | Diluted Net Income (Loss) Per Share of Common Stock                                |             |             |             |
| Diluted Net Income (Loss) Per Share of Common Stock                                | Diluted Net Income (Loss) Per Share of Common Stock                                |             |             |             |



| Diluted Net Income (Loss) Per Share of Common Stock                                  |                                                                                      |             |             |             |
|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------|-------------|-------------|
| Weighted Average Shares of Common Stock Outstanding - Basic                          |                                                                                      |             |             |             |
| Weighted Average Shares of Common Stock Outstanding - Basic                          |                                                                                      |             |             |             |
| Weighted Average Shares of Common Stock Outstanding - Basic                          | Weighted Average Shares of Common Stock Outstanding - Basic                          | 749,504,970 | 582,258,984 | 562,812,883 |
| Incremental Common Shares:                                                           | Incremental Common Shares:                                                           |             |             |             |
| Assumed vesting of dilutive equity awards <sup>(2)</sup>                             |                                                                                      |             |             |             |
| Assumed vesting of dilutive equity awards <sup>(2)</sup>                             |                                                                                      |             |             |             |
| Assumed vesting of dilutive equity awards <sup>(2)</sup>                             | Assumed vesting of dilutive equity awards <sup>(2)</sup>                             | —           | 24,011,281  | 9,823,514   |
| Assumed conversion of Series C Mandatory Convertible Preferred Stock <sup>(1)</sup>  | Assumed conversion of Series C Mandatory Convertible Preferred Stock <sup>(1)</sup>  | —           | 26,822,600  | 11,048,955  |
| Weighted Average Shares of Common Stock Outstanding - Diluted                        | Weighted Average Shares of Common Stock Outstanding - Diluted                        | 749,504,970 | 633,092,865 | 583,685,352 |
| Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted | Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted | \$ (1.21)   | \$ 7.31     | \$ 3.37     |

(1) For the years ended December 31, 2023 and 2021, the impact of Series C Mandatory Convertible Preferred Stock calculated under the if-converted method was dilutive, and as such (i) shares of common stock (assuming a conversion ratio based on the average volume weighted average price per share of common stock over each reporting period) were included in the Weighted Average Shares of Common Stock Outstanding - Diluted and (ii) Series C Mandatory Convertible Preferred dividends were added back to Net Income (Loss) Available to KKR & Co. Inc. Common Stockholders - Diluted. For the year ended December 31, 2022, the impact of Series C Mandatory Convertible Preferred Stock is excluded from the calculation of Diluted Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock because inclusion of such shares would be anti-dilutive having the effect of decreasing the loss per share of common stock. For the years ended December 31, 2021 and 2020, the impact of Series C Mandatory Convertible Preferred Stock calculated under the if-converted method was dilutive, and as such (i) 26.8 million and 11.0 million, respectively, shares of common stock (assuming a conversion ratio based on the average volume weighted average price per share of common stock over each reporting period) were included in the Weighted Average Shares of Common Stock Outstanding - Diluted and (ii) \$69.0 million and \$26.3 million, respectively, of Series C Mandatory Convertible Preferred dividends were added back to Net Income (Loss) Available to KKR & Co. Inc. Common Stockholders - Diluted.

(2) For the year ended December 31, 2022, all unvested equity awards are excluded from the calculation of Diluted Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock because inclusion of such unvested equity awards would be anti-dilutive having the effect of decreasing the loss per share of common stock. For the years ended December 31, 2021, December 31, 2023 and 2020, 2021, Weighted Average Shares of Common Stock Outstanding - Diluted includes unvested equity awards, including certain equity awards that have met their market price-based vesting condition but have not satisfied their service-based vesting condition, which have been granted under the Equity Incentive Plans. Vesting of these equity awards dilute equity holders of KKR Group Partnership, including KKR & Co. Inc. and holders of exchangeable securities pro rata in accordance with their respective ownership interests in KKR Group Partnership.

The adoption of ASU 2020-06 in 2022 did not result in a material impact to For the year ended December 31, 2022, all unvested equity awards are excluded from the calculation of the Diluted Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted. For years ended December 31, 2021 and 2020, because inclusion of such unvested equity awards would be anti-dilutive having the Net Income (Loss) Attributable to KKR & Co. Inc. Per Share effect of Common Stock - Diluted was unchanged by decreasing the adoption loss per share of ASU 2020-06, and there was no impact to previously reported amounts. common stock.

## Notes to Financial Statements (Continued)

### Exchangeable Securities

For the years ended December 31, 2022, December 31, 2023, 2021, 2022, and 2020, 2021 KKR Holdings Units and vested restricted holdings units (as defined in Note 20 19 "Equity Based Compensation") have been excluded from the calculation of Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted since the

exchange of these units would not dilute KKR & Co. Inc.'s ownership interests in KKR Group Partnership. As of May 31, 2022, there are no outstanding KKR Holdings Units. See Note 1 "Organization" in our financial statements.

[illegible]

### Market Condition Awards

For the years ended December 31, 2022, December 31, 2023, 2022, and 2021 and 2020, 25.7 million, 17.5 million, 9.1 million and 0.1 million, respectively, of unvested equity awards that are subject to market price based and service-based vesting conditions were excluded from the calculation of Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted since the market price based vesting condition was not satisfied. See Note 20 19 "Equity Based Compensation." "Compensation" in our financial statements.

## Notes to Financial Statements (Continued)

#### 15.14. OTHER ASSETS AND ACCRUED EXPENSES AND OTHER LIABILITIES

Other Assets consist of the following:

|                                                       |                                                       | December 31, 2022 | December 31, 2021 | December 31, 2023 |
|-------------------------------------------------------|-------------------------------------------------------|-------------------|-------------------|-------------------|
| Asset Management                                      | Asset Management                                      |                   |                   |                   |
| Unsettled Investment                                  | Unsettled Investment                                  |                   |                   |                   |
| Sales <sup>(1)</sup>                                  | Sales <sup>(1)</sup>                                  | \$ 90,072         | \$ 182,267        |                   |
| Unsettled Investment Sales <sup>(1)</sup>             |                                                       |                   |                   |                   |
| Unsettled Investment Sales <sup>(1)</sup>             |                                                       |                   |                   |                   |
| Receivables                                           | Receivables                                           | 26,119            | 81,133            |                   |
| Due from Broker <sup>(2)</sup>                        | Due from Broker <sup>(2)</sup>                        | 160,533           | 365,053           |                   |
| Deferred Tax Assets, net (See Note 19)                |                                                       | 54,769            | 85,770            |                   |
| Deferred Tax Assets, net (See Note 18)                |                                                       |                   |                   |                   |
| Interest Receivable                                   | Interest Receivable                                   | 223,660           | 144,221           |                   |
| Fixed Assets, net <sup>(3)</sup>                      | Fixed Assets, net <sup>(3)</sup>                      | 857,903           | 820,143           |                   |
| Foreign Exchange Contracts and Options <sup>(4)</sup> | Foreign Exchange Contracts and Options <sup>(4)</sup> | 668,716           | 590,637           |                   |



|                                        |                                        |                     |                    |
|----------------------------------------|----------------------------------------|---------------------|--------------------|
| Premiums and Other Account Receivables | Premiums and Other Account Receivables | 141,551             | 86,524             |
| Other                                  | Other                                  | 121,114             | 96,093             |
| Prepaid Taxes                          | Prepaid Taxes                          | 22,851              | 103,954            |
| Market Risk Benefit Asset              |                                        |                     |                    |
| <b>Total Insurance</b>                 | <b>Total Insurance</b>                 | <b>\$ 6,483,187</b> | <b>\$5,053,518</b> |
| <b>Total Other Assets</b>              | <b>Total Other Assets</b>              | <b>\$11,680,813</b> | <b>\$7,939,831</b> |
| <b>Total Other Assets</b>              |                                        |                     |                    |
| <b>Total Other Assets</b>              |                                        |                     |                    |

- (1) Represents amounts due from third parties for investments sold for which cash settlement has not occurred.
- (2) Represents amounts held at clearing brokers resulting from securities transactions.
- (3) Net of accumulated depreciation and amortization of \$188.8 \$257.4 million and \$141.6 million \$188.8 million as of December 31, 2022 December 31, 2023 and 2021, December 31, 2022, respectively. Depreciation and amortization expense of \$54.6 \$68.4 million, \$46.5 \$54.6 million, and \$18.6 million \$46.5 million for the years ended December 31, 2022 December 31, 2023, 2021, 2022, and 2020, 2021, respectively, are included in General, Administrative and Other in the accompanying consolidated statements of operations. Additionally, KKR's fixed assets are predominantly located in the United States.
- (4) Represents derivative financial instruments used to manage foreign exchange risk arising from certain foreign currency denominated investments. Such instruments are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 5 4 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements for the net changes in fair value associated with these instruments.
- (5) As of December 31, 2022 December 31, 2023, the carrying value of goodwill is recorded and assessed for impairment at the reporting unit. There As of December 31, 2023, there are approximately \$1.8 \$(34.2) million of cumulative foreign currency translation adjustments included in AOCI related to the goodwill recorded as result of the acquisition of KJRM (see Note 3 "Acquisitions"). KJRM.
- (6) There As of December 31, 2023, there are approximately \$5.7 \$(116.8) million of cumulative foreign currency translation adjustments included in AOCI related to the intangible assets recorded as result of the acquisition of KJRM (see Note 3 "Acquisitions"). KJRM.
- (7) For Asset Management, non-cancelable operating leases consist of leases for office space in North America, Europe, Asia and Australia. KKR is the lessee under the terms of the operating leases. The operating lease cost was \$54.2 \$67.8 million, \$49.0 \$54.2 million, and \$56.4 million \$49.0 million for the years ended December 31, 2022 December 31, 2023, 2021, 2022, and 2020, 2021, respectively. For Insurance, non-cancelable operating leases consist of leases for office space and land in the U.S. For the years ended December 31, 2022 December 31, 2023, 2022 and 2021, the operating lease cost was \$21.9 million, \$25.0 million and \$14.6 million, \$14.6 million, respectively. Insurance lease right-of-use assets are reported net of \$21.8 million \$20.6 million and \$22.7 million \$21.8 million in deferred rent and lease incentives as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively.

## Notes to Financial Statements (Continued)

- (8) The definite life intangible assets are amortized by using the straight-line method over the useful life of the assets which is an average of 15 14 years. The indefinite life intangible assets are not subject to amortization. For the years ended December 31, 2022 and 2021, the The amortization expense of definite life intangible assets was \$17.6 million, \$17.6 million and \$16.2 million \$16.2 million for the years ended December 31, 2023, respectively.
- (9) The amounts include approximately \$4.5 million of goodwill related to an immaterial acquisition of a residential mortgage platform, which Global Atlantic acquired in October 2022, and 2021, for a purchase price consideration of \$4.6 million. The insurance segment reported a negative equity carrying amount as of December 31, 2022 primarily due to unrealized losses on available-for-sale fixed maturity investment portfolio. Global Atlantic expects that substantially all of these unrealized losses will not be realized as it intends to hold these investments until recovery of the losses, which may be at maturity, as part of its asset liability cash-flow matching strategy. KKR evaluated qualitative factors, including market and economic conditions, industry-specific events and company-specific financial results, and determined that it was not more likely than not that goodwill was impaired, respectively.

Accrued Expenses and Other Liabilities consist of the following:

|                                   |                                   | December 31, 2022 | December 31, 2021 | December 31, 2023 | December 31, 2022 |
|-----------------------------------|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Asset Management                  | Asset Management                  |                   |                   |                   |                   |
| Amounts Payable to Carry Pool     |                                   |                   |                   |                   |                   |
| (1)                               |                                   |                   |                   |                   |                   |
| Amounts Payable to Carry Pool     |                                   |                   |                   |                   |                   |
| (1)                               |                                   |                   |                   |                   |                   |
| Amounts Payable to Carry Pool (1) | Amounts Payable to Carry Pool (1) | \$ 1,872,568      | \$ 3,650,312      |                   |                   |

|                                                                                     |                                                       |                     |                     |
|-------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------|---------------------|
| Unsettled Investment Purchases <sup>(2)</sup>                                       | Unsettled Investment Purchases <sup>(2)</sup>         | 416,822             | 1,315,163           |
| Securities Sold Short <sup>(3)</sup>                                                | Securities Sold Short <sup>(3)</sup>                  | 158,752             | 249,383             |
| Derivative Liabilities                                                              | Derivative Liabilities                                | 11,018              | 45,003              |
| Accrued Compensation and Benefits                                                   | Accrued Compensation and Benefits                     | 265,712             | 210,789             |
| Interest Payable                                                                    | Interest Payable                                      | 363,849             | 162,801             |
| Foreign Exchange Contracts and Options <sup>(4)</sup>                               | Foreign Exchange Contracts and Options <sup>(4)</sup> | 406,746             | 319,511             |
| Accounts Payable and Accrued Expenses                                               | Accounts Payable and Accrued Expenses                 | 216,688             | 187,564             |
| Taxes Payable                                                                       | Taxes Payable                                         | 136,245             | 42,745              |
| Uncertain Tax Positions                                                             | Uncertain Tax Positions                               | 56,032              | 78,226              |
| Unfunded Revolver Commitments                                                       | Unfunded Revolver Commitments                         | 137,315             | 64,276              |
| Operating Lease Liabilities <sup>(5)</sup>                                          | Operating Lease Liabilities <sup>(5)</sup>            | 347,901             | 230,995             |
| Deferred Tax Liabilities, net (See Note 19)                                         | Deferred Tax Liabilities, net (See Note 19)           | 1,667,740           | 900,436             |
| Deferred Tax Liabilities, net (See Note 18)                                         |                                                       |                     |                     |
| Deferred Tax Liabilities, net (See Note 18)                                         |                                                       |                     |                     |
| Deferred Tax Liabilities, net (See Note 18)                                         |                                                       |                     |                     |
| Other Liabilities                                                                   | Other Liabilities                                     | 414,387             | 439,693             |
| <b>Total Asset Management</b>                                                       | <b>Total Asset Management</b>                         | <b>\$ 6,471,775</b> | <b>\$ 7,896,897</b> |
| <i>Insurance</i>                                                                    |                                                       |                     |                     |
| Unsettled Investment Purchases <sup>(2)</sup>                                       | Unsettled Investment Purchases <sup>(2)</sup>         | \$ 208,941          | \$ 395,722          |
| Collateral on Derivative Instruments                                                | Collateral on Derivative Instruments                  | 466,371             | 1,086,061           |
| <i>Insurance</i>                                                                    |                                                       |                     |                     |
| <i>Insurance</i>                                                                    |                                                       |                     |                     |
| Unsettled Investment Purchases <sup>(2)</sup> and Derivative Collateral Liabilities |                                                       |                     |                     |
| Unsettled Investment Purchases <sup>(2)</sup> and Derivative Collateral Liabilities |                                                       |                     |                     |
| Unsettled Investment Purchases <sup>(2)</sup> and Derivative Collateral Liabilities |                                                       |                     |                     |
| Unsettled Investment Purchases <sup>(2)</sup> and Derivative Collateral Liabilities |                                                       |                     |                     |

|                                                       |                                                       |                     |                     |
|-------------------------------------------------------|-------------------------------------------------------|---------------------|---------------------|
| Accrued Expenses                                      | Accrued Expenses                                      | 600,635             | 429,504             |
| Insurance Operations Balances in Course of Settlement | Insurance Operations Balances in Course of Settlement | 949,383             | 317,733             |
| Securities Sold Under Agreements to Repurchase        | Securities Sold Under Agreements to Repurchase        | 805,316             | 300,446             |
| Derivative Liabilities                                | Derivative Liabilities                                | 934,107             | 145,163             |
| Accrued Employee Related Expenses                     | Accrued Employee Related Expenses                     | 322,698             | 280,668             |
| Operating Lease Liabilities <sup>(5)</sup>            | Operating Lease Liabilities <sup>(5)</sup>            | 195,001             | 180,574             |
| Tax Payable to Former Parent Company                  | Tax Payable to Former Parent Company                  | 67,086              | 74,423              |
| Interest Payable                                      | Interest Payable                                      | 13,329              | 12,930              |
| Accounts and Commissions Payable                      | Accounts and Commissions Payable                      | 25,261              | 26,054              |
| Other Tax Related Liabilities                         | Other Tax Related Liabilities                         | 12,249              | 14,288              |
| <b>Total Insurance</b>                                | <b>Total Insurance</b>                                | <b>\$ 4,600,377</b> | <b>\$ 3,263,566</b> |
| <b>Total Accrued Expenses and Other Liabilities</b>   | <b>Total Accrued Expenses and Other Liabilities</b>   | <b>\$11,072,152</b> | <b>\$11,160,463</b> |
| <b>Total Accrued Expenses and Other Liabilities</b>   |                                                       |                     |                     |
| <b>Total Accrued Expenses and Other Liabilities</b>   |                                                       |                     |                     |

- (1) Represents the amount of carried interest payable to current and former KKR employees arising from KKR's investment funds and co-investment vehicles that provide for carried interest.
- (2) Represents amounts owed to third parties for investment purchases for which cash settlement has not occurred.
- (3) Represents the obligations of KKR to deliver a specified security at a future point in time. Such securities are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 5.4 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements for the net changes in fair value associated with these instruments.
- (4) Represents derivative financial instruments used to manage foreign exchange risk arising from certain foreign currency denominated investments. Such instruments are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 5.4 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements for the net changes in fair value associated with these instruments.

#### Notes to Financial Statements (Continued)

- (5) For Asset Management, operating leases for office space have remaining lease terms that range from approximately 1 year to 16.17 years, some of which include options to extend the leases from 5 years to 10 years. The weighted average remaining lease terms were 10.4 10.3 years and 9.5 10.4 years as of December 31, 2022 December 31, 2023 and 2021, December 31, 2022, respectively. The weighted average discount rates were 2.5% 2.9% and 1.2% 2.5% as of December 31, 2022 December 31, 2023 and 2021, December 31, 2022, respectively. For Insurance, operating leases for office space have remaining lease terms that range from approximately 1 year to 11 years, some of which include options to extend the leases for up to 10 years. The weighted average remaining lease terms was 7.0 were 7.6 years and 7.8 7.0 years as of December 31,

2022 December 31, 2023 and 2021, 2022, respectively. The weighted average discount rate was rates were 4.4% and 3.6% and 2.9% as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively. The weighted average remaining lease term terms for land was 26.9 were 43.7 years and 27.9 26.9 years as of December 31, 2022 December 31, 2023 and 2021, 2022, respectively.

Notes to Financial Statements (Continued)

16, 15. VARIABLE INTEREST ENTITIES

Consolidated VIEs

KKR consolidates certain VIEs in which it is determined that KKR is the primary beneficiary. The consolidated VIEs are predominately CLOs and certain investment funds sponsored by KKR. The primary purpose of these VIEs is to provide strategy specific investment opportunities to earn investment gains, current income or both in exchange for management fees and performance income. KKR's investment strategies differ for these VIEs; however, the fundamental risks have similar characteristics, including loss of invested capital and loss of management fees and performance income. KKR does not provide performance guarantees and has no other financial obligation to provide funding to these consolidated VIEs, beyond amounts previously committed, if any. Furthermore, KKR consolidates certain VIEs which that are formed by Global Atlantic to hold investments, including investments in transportation, renewable energy, consumer and other loans and fixed maturity securities.

Unconsolidated VIEs

KKR holds variable interests in certain VIEs which are not consolidated as it has been determined that KKR is not the primary beneficiary. VIEs that are not consolidated predominantly include certain investment funds sponsored by KKR as well as certain investment partnerships where Global Atlantic retains an economic interest. KKR's investment strategies differ by investment fund; however, the fundamental risks have similar characteristics, including loss of invested capital and loss of management fees and performance income. KKR's maximum exposure to loss as a result of its investments in the unconsolidated investment funds is the carrying value of such investments, including KKR's capital interest and any unrealized carried interest. Accordingly, disaggregation of KKR's involvement by type of unconsolidated investment fund would not provide more useful information. For these unconsolidated investment funds in which KKR is the sponsor, KKR may have an obligation as general partner to provide commitments to such investment funds. As of December 31, 2022 December 31, 2023, KKR's commitments to these unconsolidated investment funds were \$4.6 billion \$2.6 billion. KKR has not provided any financial support other than its obligated amount as of December 31, 2022 December 31, 2023. Additionally, Global Atlantic also has unfunded commitments of \$24.8 million \$22.7 million in relation to other limited partnership interests as of December 31, 2022 December 31, 2023.

As of December 31, 2022 December 31, 2023 and 2021, December 31, 2022, the maximum exposure to loss, before allocations to the carry pool and noncontrolling interests, if any, for those VIEs in which KKR is determined not to be the primary beneficiary but in which it has a variable interest is as follows:

|                                                  |                                             | December<br>31, 2022 | December<br>31, 2021 | December 31, 2023 | December 31, 2022 |
|--------------------------------------------------|---------------------------------------------|----------------------|----------------------|-------------------|-------------------|
| Investments                                      | Investments                                 |                      |                      |                   |                   |
| - Asset                                          | - Asset                                     |                      |                      |                   |                   |
| Management                                       | Management                                  | \$6,862,712          | \$11,539,945         |                   |                   |
| Due from (to) Affiliates, net                    |                                             | 1,356,308            | 1,046,210            |                   |                   |
| Due from (to) Affiliates, net - Asset Management |                                             |                      |                      |                   |                   |
| Maximum Exposure to Loss - Asset Management      | Maximum Exposure to Loss - Asset Management | \$8,219,020          | \$12,586,155         |                   |                   |
| Other Investment in Partnership - Insurance      |                                             | \$ 295,808           | \$ 190,106           |                   |                   |
| Investment in Renewable Partnerships - Insurance |                                             | 30,177               | 30,760               |                   |                   |
| Other Investment Partnerships - Insurance        |                                             |                      |                      |                   |                   |
| Other Investment Partnerships - Insurance        |                                             |                      |                      |                   |                   |
| Other Investment Partnerships - Insurance        |                                             |                      |                      |                   |                   |
| Investment in Renewable Energy - Insurance       |                                             |                      |                      |                   |                   |



|                                      |                                      |             |              |
|--------------------------------------|--------------------------------------|-------------|--------------|
| Maximum Exposure to Loss - Insurance | Maximum Exposure to Loss - Insurance | \$ 325,985  | \$ 220,866   |
| Total Maximum Exposure to Loss       | Total Maximum Exposure to Loss       | \$8,545,005 | \$12,807,021 |
| Total Maximum Exposure to Loss       | Total Maximum Exposure to Loss       |             |              |

## Notes to Financial Statements (Continued)

### 17.16. DEBT OBLIGATIONS

#### Asset Management Debt Obligations

In Asset Management, KKR enters into credit agreements and issues debt for its general operating and investment purposes. KKR consolidates and reports debt obligations of KKR Financial Holdings LLC, a KKR subsidiary ("KFN"), which are non-recourse to KKR beyond the assets of KFN. From time to time, KKR may provide credit support for the funding obligations of its subsidiaries.

Certain of KKR's consolidated investment funds have entered into financing arrangements with financial institutions, generally to provide liquidity to such investment funds. These financing arrangements are generally not direct obligations of the general partners of KKR's investment funds (beyond KKR's capital interest) or its management companies. Such borrowings have varying maturities and bear interest at floating rates. Borrowings are generally secured by the investment purchased with the proceeds of the borrowing and/or the uncalled capital commitment of each respective fund. When an investment vehicle borrows, the proceeds are available only for use by that investment vehicle and are not available for the benefit of other investment vehicles or KKR. Collateral within each investment vehicle is also available only against borrowings by that investment vehicle and not against the borrowings of other investment vehicles or KKR.

In certain other cases, investments and other assets held directly by majority-owned consolidated investment vehicles and other entities have been funded with borrowings that are collateralized by the investments and assets they own. These borrowings are non-recourse to KKR beyond the investments or assets serving as collateral or the capital that KKR has committed to fund such investment vehicles. Such borrowings have varying maturities and generally bear interest at fixed rates.

In addition, consolidated CFEs issue debt securities to third-party investors which are collateralized by assets held by the CFE. Debt securities issued by CFEs are supported solely by the assets held at the CFEs and are not collateralized by assets of any other KKR entity. CFEs also may have warehouse facilities with banks to provide liquidity to the CFE. The CFE's debt obligations are non-recourse to KKR beyond the assets of the CFE.

## Notes to Financial Statements (Continued)

KKR's Asset Management debt obligations consisted of the following:

|                                         | December 31, 2022 |           |             |         |            |           | December 31, 2021 |             |    |         |
|-----------------------------------------|-------------------|-----------|-------------|---------|------------|-----------|-------------------|-------------|----|---------|
|                                         | Financing         |           | Borrowing   |         | Fair Value | Financing |                   | Borrowing   |    |         |
|                                         | Available         |           | Outstanding |         |            | Available |                   | Outstanding |    |         |
| Fair Value                              |                   |           |             |         |            |           |                   |             |    |         |
| Revolving Credit Facilities:            |                   |           |             |         |            |           |                   |             |    |         |
| Corporate Credit Agreement              | \$                | 1,500,000 | \$          | —       | \$         | —         | \$                | 1,000,000   | \$ | —       |
| KCM Credit Agreement                    |                   | 723,132   |             | —       |            | —         |                   | 728,799     |    | —       |
| KCM 364-Day Revolving Credit Agreement  |                   | 750,000   |             | —       |            | —         |                   | 750,000     |    | —       |
| Notes Issued: (1)                       |                   |           |             |         |            |           |                   |             |    |         |
| KKR ¥25 billion (or \$189.5 million)    | (4)               |           |             |         |            |           |                   |             |    |         |
| 0.509% Notes Due 2023                   |                   | —         |             | 189,432 |            | 189,447   |                   | —           |    | 216,881 |
| 216,818                                 |                   |           |             |         |            |           |                   |             |    |         |
| KKR ¥5 billion (or \$37.9 million)      | (4)               |           |             |         |            |           |                   |             |    |         |
| 0.764% Notes Due 2025                   |                   | —         |             | 37,646  |            | 37,625    |                   | —           |    | 43,082  |
| 43,452                                  |                   |           |             |         |            |           |                   |             |    |         |
| KKR ¥36.4 billion (or \$275.9 million)  | (4)               |           |             |         |            |           |                   |             |    |         |
| 1.054% Notes Due 2027                   |                   | —         |             | 274,628 |            | 271,081   |                   | —           |    | —       |
| —                                       |                   |           |             |         |            |           |                   |             |    |         |
| KKR €650 million (or \$693.9 million)   | (5)               |           |             |         |            |           |                   |             |    |         |
| 1.625% Notes Due 2029                   |                   | —         |             | 687,928 |            | 565,003   |                   | —           |    | 729,048 |
| 776,926                                 |                   |           |             |         |            |           |                   |             |    |         |
| KKR \$750 million 3.750% Notes Due 2029 | (4)               |           |             |         |            |           |                   |             |    |         |
| 825,540                                 |                   |           |             |         |            |           |                   |             |    |         |
| KKR ¥4.9 billion (or \$37.1 million)    | (4)               |           |             |         |            |           |                   |             |    |         |
| 1.244% Notes Due 2029                   |                   | —         |             | 36,657  |            | 36,020    |                   | —           |    | —       |
| —                                       |                   |           |             |         |            |           |                   |             |    |         |
| KKR \$750 million 4.850% Notes Due 2032 | (4)               |           |             |         |            |           |                   |             |    |         |
|                                         |                   | —         |             | 741,655 |            | 701,610   |                   | —           |    | —       |

|                                                        |     |                     |                      |                      |                     |                      |                      |
|--------------------------------------------------------|-----|---------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| KKR ¥6.2 billion (or \$47.0 million)                   | (4) |                     |                      |                      |                     |                      |                      |
| 1.437% Notes Due 2032                                  |     | —                   | 46,431               | 44,800               | —                   | —                    | —                    |
| KKR ¥7.5 billion (or \$56.9 million)                   | (4) |                     |                      |                      |                     |                      |                      |
| 1.553% Notes Due 2034                                  |     | —                   | 56,204               | 53,477               | —                   | —                    | —                    |
| KKR ¥5.5 billion (or \$41.7 million)                   | (4) |                     |                      |                      |                     |                      |                      |
| 1.795% Notes Due 2037                                  |     | —                   | 41,097               | 38,550               | —                   | —                    | —                    |
| KKR ¥10.3 billion (or \$78.1 million)                  | (4) |                     |                      |                      |                     |                      |                      |
| 1.595% Notes Due 2038                                  |     | —                   | 77,134               | 69,565               | —                   | 88,505               | 92,198               |
| KKR \$500 million 5.500% Notes Due 2043 <sup>(5)</sup> | (4) | —                   | 490,494              | 455,287              | —                   | 491,153              | 661,351              |
| KKR \$1.0 billion 5.125% Notes Due 2044 <sup>(6)</sup> | (4) | —                   | 964,726              | 845,944              | —                   | 951,462              | 1,237,888            |
| KKR \$500 million 3.625% Notes Due 2050                | (4) | —                   | 492,753              | 343,490              | —                   | 492,486              | 535,550              |
| KKR \$750 million 3.500% Notes Due 2050 <sup>(6)</sup> | (4) | —                   | 736,451              | 503,862              | —                   | 735,905              | 784,650              |
| KKR \$750 million 3.250% Notes Due 2051                | (4) | —                   | 739,832              | 475,920              | —                   | 739,481              | 747,900              |
| KKR \$500 million 4.625% Notes Due 2061                | (5) | —                   | 486,399              | 340,400              | —                   | 486,044              | 523,200              |
| KFN \$500 million 5.500% Notes Due 2032                | (2) | —                   | 495,511              | 417,551              | —                   | 495,025              | 487,779              |
| KFN \$120 million 5.200% Notes Due 2033                | (2) | —                   | 118,773              | 96,502               | —                   | 118,654              | 115,535              |
| KFN \$70 million 5.400% Notes Due 2033                 | (2) | —                   | 69,048               | 57,042               | —                   | 68,957               | 68,532               |
| KFN Issued Junior Subordinated Notes <sup>(3)</sup>    | (2) | —                   | 237,471              | 189,673              | —                   | 236,138              | 178,335              |
|                                                        |     | 2,973,132           | 7,764,492            | 6,408,262            | 2,478,799           | 6,636,154            | 7,295,654            |
| Other Debt Obligations <sup>(9)</sup>                  |     | 4,837,893           | 32,834,121           | 32,649,546           | 4,941,755           | 30,033,601           | 30,033,601           |
|                                                        |     | <b>\$ 7,811,025</b> | <b>\$ 40,598,613</b> | <b>\$ 39,057,808</b> | <b>\$ 7,420,554</b> | <b>\$ 36,669,755</b> | <b>\$ 37,329,255</b> |

|                                                        | December 31, 2023   |                       |            | December 31, 2022   |                       |            |
|--------------------------------------------------------|---------------------|-----------------------|------------|---------------------|-----------------------|------------|
|                                                        | Financing Available | Borrowing Outstanding | Fair Value | Financing Available | Borrowing Outstanding | Fair Value |
| <b>Revolving Credit Facilities:</b>                    |                     |                       |            |                     |                       |            |
| Corporate Credit Agreement                             | \$ 1,500,000        | \$ —                  | \$ —       | \$ 1,500,000        | \$ —                  | \$ —       |
| KCM Credit Agreement <sup>(1)</sup>                    | 736,492             | —                     | —          | 723,132             | —                     | —          |
| KCM 364-Day Revolving Credit Agreement                 | 750,000             | —                     | —          | 750,000             | —                     | —          |
| <b>Notes Issued: <sup>(2)</sup></b>                    |                     |                       |            |                     |                       |            |
| KKR ¥25 billion (or \$177.3 million)                   | (5)                 |                       |            |                     |                       |            |
| 0.509% Notes Due 2023 <sup>(8)</sup>                   | —                   | —                     | —          | —                   | 189,432               | 189,447    |
| KKR ¥5 billion (or \$35.5 million)                     | (5)                 |                       |            |                     |                       |            |
| 0.764% Notes Due 2025                                  | —                   | 35,316                | 35,390     | —                   | 37,646                | 37,625     |
| KKR ¥36.4 billion (or \$258.1 million)                 | (5)                 |                       |            |                     |                       |            |
| 1.054% Notes Due 2027                                  | —                   | 257,132               | 255,840    | —                   | 274,628               | 271,081    |
| KKR ¥44.7 billion (or \$317.0 million)                 | (5)                 |                       |            |                     |                       |            |
| 1.428% Notes Due 2028                                  | —                   | 315,599               | 315,217    | —                   | —                     | —          |
| KKR €650 million (or \$717.4 million)                  | (5)                 |                       |            |                     |                       |            |
| 1.625% Notes Due 2029                                  | —                   | 712,331               | 646,248    | —                   | 687,928               | 565,003    |
| KKR \$750 million 3.750% Notes Due 2029 <sup>(7)</sup> | (5)                 | —                     | 726,331    | —                   | 744,222               | 675,413    |
| KKR ¥4.9 billion (or \$34.7 million)                   | (5)                 |                       |            |                     |                       |            |
| 1.244% Notes Due 2029                                  | —                   | 34,339                | 33,985     | —                   | 36,657                | 36,020     |
| KKR ¥1.8 billion (or \$12.8 million)                   | (5)                 |                       |            |                     |                       |            |
| 1.614% Notes Due 2030                                  | —                   | 12,448                | 12,514     | —                   | —                     | —          |
| KKR \$750 million 4.850% Notes Due 2032                | (5)                 | —                     | 742,545    | —                   | 741,655               | 701,610    |
| KKR ¥6.2 billion (or \$44.0 million)                   | (5)                 |                       |            |                     |                       |            |
| 1.437% Notes Due 2032                                  | —                   | 43,461                | 42,155     | —                   | 46,431                | 44,800     |
| KKR ¥1.5 billion (or \$10.6 million)                   | (5)                 |                       |            |                     |                       |            |
| 1.939% Notes Due 2033                                  | —                   | 10,316                | 10,322     | —                   | —                     | —          |
| KKR ¥7.5 billion (or \$53.2 million)                   | (5)                 |                       |            |                     |                       |            |
| 1.553% Notes Due 2034                                  | —                   | 52,595                | 49,937     | —                   | 56,204                | 53,477     |
| KKR ¥5.5 billion (or \$39.0 million)                   | (5)                 |                       |            |                     |                       |            |
| 1.795% Notes Due 2037                                  | —                   | 38,450                | 35,742     | —                   | 41,097                | 38,550     |
| KKR ¥10.3 billion (or \$73.0 million)                  | (5)                 |                       |            |                     |                       |            |
| 1.595% Notes Due 2038                                  | —                   | 72,161                | 64,646     | —                   | 77,134                | 69,565     |
| KKR ¥3 billion (or \$21.3 million)                     | (5)                 |                       |            |                     |                       |            |
| 2.312% Notes Due 2038                                  | —                   | 20,874                | 20,272     | —                   | —                     | —          |
| KKR \$500 million 5.500% Notes Due 2043 <sup>(7)</sup> | (5)                 | —                     | 490,728    | —                   | 490,494               | 455,287    |
| KKR ¥4.5 billion (or \$31.9 million)                   | (5)                 |                       |            |                     |                       |            |
| 2.574% Notes Due 2043                                  | —                   | 31,413                | 29,723     | —                   | —                     | —          |

|                                                             |                |                     |                      |                      |                     |                      |                      |
|-------------------------------------------------------------|----------------|---------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| KKR \$1 billion 5.125% Notes Due 2044 <sup>(7)</sup>        | <sup>(5)</sup> | —                   | 963,674              | 887,286              | —                   | 964,726              | 845,944              |
| KKR \$500 million 3.625% Notes Due 2050                     | <sup>(5)</sup> | —                   | 493,020              | 358,580              | —                   | 492,753              | 343,490              |
| KKR \$750 million 3.500% Notes Due 2050 <sup>(7)</sup>      | <sup>(5)</sup> | —                   | 734,437              | 527,183              | —                   | 736,451              | 503,862              |
| KKR \$750 million 3.250% Notes Due 2051                     | <sup>(5)</sup> | —                   | 740,184              | 516,038              | —                   | 739,832              | 475,920              |
| KKR ¥6 billion (or \$42.5 million)<br>2.747% Notes Due 2053 | <sup>(5)</sup> | —                   | 41,929               | 37,801               | —                   | —                    | —                    |
| KKR \$500 million 4.625% Notes Due 2061                     | <sup>(6)</sup> | —                   | 486,755              | 377,400              | —                   | 486,399              | 340,400              |
| KFN \$500 million 5.500% Notes Due 2032                     | <sup>(3)</sup> | —                   | 495,997              | 455,340              | —                   | 495,511              | 417,551              |
| KFN \$120 million 5.200% Notes Due 2033                     | <sup>(3)</sup> | —                   | 118,895              | 106,030              | —                   | 118,773              | 96,502               |
| KFN \$70 million 5.400% Notes Due 2033                      | <sup>(3)</sup> | —                   | 69,140               | 62,648               | —                   | 69,048               | 57,042               |
| KFN Issued Junior Subordinated Notes <sup>(4)</sup>         | <sup>(3)</sup> | —                   | 238,801              | 208,902              | —                   | 237,471              | 189,673              |
|                                                             |                | 2,986,492           | 7,978,871            | 6,981,707            | 2,973,132           | 7,764,492            | 6,408,262            |
| Other Debt Obligations <sup>(1)(7)</sup>                    |                | 6,618,692           | 36,907,999           | 36,699,920           | 4,837,893           | 32,834,121           | 32,649,546           |
|                                                             |                | <u>\$ 9,605,184</u> | <u>\$ 44,886,870</u> | <u>\$ 43,681,627</u> | <u>\$ 7,811,025</u> | <u>\$ 40,598,613</u> | <u>\$ 39,057,808</u> |

## Notes to Financial Statements (Continued)

(1) Financing available is reduced by the dollar amounts specified in any issued letters of credit.

(2) Borrowing outstanding includes: (i) unamortized note discount (net of premium), as applicable and (ii) unamortized debt issuance costs, as applicable. Financing costs related to the issuance of the notes have been deducted from the note liability and are being amortized over the life of the notes.

| December<br>31, 2023                            |                                                 |                   |        |  |  |
|-------------------------------------------------|-------------------------------------------------|-------------------|--------|--|--|
| December<br>31, 2022                            | December<br>31, 2021                            |                   |        |  |  |
| December<br>31, 2023                            |                                                 |                   |        |  |  |
| December<br>31, 2023                            |                                                 | December 31, 2022 |        |  |  |
| KKR<br>Issued<br>0.509%<br>Notes<br>Due<br>2023 | KKR<br>Issued<br>0.509%<br>Notes<br>Due<br>2023 | \$ 68             | \$ 369 |  |  |
| KKR<br>Issued<br>0.764%<br>Notes<br>Due<br>2025 | KKR<br>Issued<br>0.764%<br>Notes<br>Due<br>2025 | 254               | 368    |  |  |
| KKR<br>Issued<br>1.054%<br>Notes<br>Due<br>2027 | KKR<br>Issued<br>1.054%<br>Notes<br>Due<br>2027 | 1,284             | —      |  |  |
| KKR<br>Issued<br>1.244%<br>Notes<br>Due<br>2029 | KKR<br>Issued<br>1.244%<br>Notes<br>Due<br>2029 | 485               | —      |  |  |
| KKR<br>Issued<br>1.428%<br>Notes<br>Due<br>2028 |                                                 |                   |        |  |  |
| KKR<br>Issued<br>1.625%<br>Notes<br>Due<br>2029 | KKR<br>Issued<br>1.625%<br>Notes<br>Due<br>2029 | 3,914             | 4,526  |  |  |
| KKR<br>Issued<br>3.750%<br>Notes<br>Due<br>2029 | KKR<br>Issued<br>3.750%<br>Notes<br>Due<br>2029 | 4,177             | 4,820  |  |  |
| KKR<br>Issued<br>1.244%<br>Notes<br>Due<br>2029 |                                                 |                   |        |  |  |

|                                                 |                                                 |        |        |  |
|-------------------------------------------------|-------------------------------------------------|--------|--------|--|
| KKR<br>Issued<br>1.614%<br>Notes<br>Due<br>2030 |                                                 |        |        |  |
| KKR<br>Issued<br>4.850%<br>Notes<br>Due<br>2032 |                                                 |        |        |  |
| KKR<br>Issued<br>1.437%<br>Notes<br>Due<br>2032 | KKR<br>Issued<br>1.437%<br>Notes<br>Due<br>2032 | 565    |        |  |
| KKR Issued<br>4.850% Notes<br>Due 2032          |                                                 | 5,862  | —      |  |
| KKR<br>Issued<br>1.939%<br>Notes<br>Due<br>2033 |                                                 |        |        |  |
| KKR<br>Issued<br>1.553%<br>Notes<br>Due<br>2034 | KKR<br>Issued<br>1.553%<br>Notes<br>Due<br>2034 | 646    | —      |  |
| KKR<br>Issued<br>1.795%<br>Notes<br>Due<br>2037 | KKR<br>Issued<br>1.795%<br>Notes<br>Due<br>2037 | 593    | —      |  |
| KKR<br>Issued<br>1.595%<br>Notes<br>Due<br>2038 | KKR<br>Issued<br>1.595%<br>Notes<br>Due<br>2038 | 940    | 1,002  |  |
| KKR<br>Issued<br>2.312%<br>Notes<br>Due<br>2038 |                                                 |        |        |  |
| KKR<br>Issued<br>5.500%<br>Notes<br>Due<br>2043 | KKR<br>Issued<br>5.500%<br>Notes<br>Due<br>2043 | 2,979  | 3,127  |  |
| KKR<br>Issued<br>2.574%<br>Notes<br>Due<br>2043 |                                                 |        |        |  |
| KKR<br>Issued<br>5.125%<br>Notes<br>Due<br>2044 | KKR<br>Issued<br>5.125%<br>Notes<br>Due<br>2044 | 6,736  | 7,051  |  |
| KKR<br>Issued<br>3.625%<br>Notes<br>Due<br>2050 | KKR<br>Issued<br>3.625%<br>Notes<br>Due<br>2050 | 4,867  | 5,046  |  |
| KKR<br>Issued<br>3.500%<br>Notes<br>Due<br>2050 | KKR<br>Issued<br>3.500%<br>Notes<br>Due<br>2050 | 7,226  | 7,487  |  |
| KKR<br>Issued<br>3.250%<br>Notes<br>Due<br>2051 | KKR<br>Issued<br>3.250%<br>Notes<br>Due<br>2051 | 7,824  | 8,094  |  |
| KKR<br>Issued<br>2.747%<br>Notes<br>Due<br>2053 |                                                 |        |        |  |
| KKR<br>Issued<br>4.625%<br>Notes<br>Due<br>2061 | KKR<br>Issued<br>4.625%<br>Notes<br>Due<br>2061 | 13,601 | 13,956 |  |
| KFN<br>Issued<br>5.500%<br>Notes<br>Due<br>2032 | KFN<br>Issued<br>5.500%<br>Notes<br>Due<br>2032 | 4,548  | 3,378  |  |

|                                                 |                                                 |           |           |
|-------------------------------------------------|-------------------------------------------------|-----------|-----------|
| KFN<br>Issued<br>5.200%<br>Notes<br>Due<br>2033 | KFN<br>Issued<br>5.200%<br>Notes<br>Due<br>2033 |           |           |
|                                                 |                                                 | 1,243     | 1,347     |
| KFN<br>Issued<br>5.400%<br>Notes<br>Due<br>2033 | KFN<br>Issued<br>5.400%<br>Notes<br>Due<br>2033 |           |           |
|                                                 |                                                 | 964       | 1,043     |
|                                                 |                                                 | \$ 68,776 | \$ 61,614 |
|                                                 |                                                 | \$        |           |

(2) (3) These debt obligations are classified as Level III within the fair value hierarchy and valued using the same valuation methodologies as KKR's Level III credit investments.

(3) (4) KKR consolidates KFN and reports KFN's outstanding \$258.5 million aggregate principal amount of junior subordinated notes. The weighted average interest rate is 6.9% 8.1% and 2.6% 6.9% and the weighted average years to maturity is 13.8 12.8 years and 14.8 13.8 years as of December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022, respectively.

(4) (5) The notes are classified as Level II within the fair value hierarchy and fair value is determined by third party broker quotes.

(5) (6) The notes are classified as Level I within the fair value hierarchy and fair value is determined by quoted prices in active markets since the debt is publicly listed.

(6) (7) As of December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022, the borrowing outstanding and fair value reflects the elimination for the portion of these debt obligations that are held by Global Atlantic.

(8) On March 22, 2023, the 2023 Notes matured, and KKR Group Finance Co. IV LLC repaid the principal and accrued interest in full.

## Asset Management Revolving Credit Facilities

### KCM Short-Term Credit Agreement

On April 8, 2022 April 7, 2023, KKR Capital Markets Holdings L.P. and certain other capital markets subsidiaries (the "KCM Borrowers") entered into replaced their existing 364-day revolving credit agreement with a new 364-day revolving credit agreement (the "KCM Short-Term Credit Agreement") with Mizuho Bank, Ltd., as administrative agent, and one or more lenders party thereto. The KCM Short-Term Credit Agreement replaces the prior 364-day revolving credit agreement, dated as of April 9, 2021 April 8, 2022, between the KCM Borrowers and the administrative agent, and one or more lenders party to the KCM Short-Term Agreement, which was terminated according to its terms on April 8, 2022 April 7, 2023. The KCM Short-Term Credit Agreement provides for revolving borrowings up to \$750 million, expires on April 7, 2023 April 5, 2024, and ranks pari passu with the existing \$750 million revolving credit facility provided by them for KKR's capital markets business (the "KCM Credit Agreement").

## Notes to Financial Statements (Continued)

If a borrowing is made under the KCM Short-Term Credit Agreement, the interest rate will vary depending on the type of drawdown requested. If the borrowing is (i) denominated in U.S. dollars and a term rate, it will be based on the term Secured Overnight Financing Rate ("SOFR"), (ii) denominated in euros, it will be based on EURIBOR and (iii) denominated in pounds sterling, it will be based on the Sterling Overnight Interbank Average Rate (SONIA) ("SONIA"), in each case, plus the applicable margin which ranges initially between 1.50% and 2.75%, depending on the duration of the loan. If the borrowing is an ABR Loan, it will be based on the greater of (i) the federal funds rate plus 0.50% and (ii) term SOFR for one-month tenor plus 1.00%, in each case, plus the applicable margin which ranges initially between 0.50% and 1.75% depending on the amount and nature of the loan. Borrowings under the KCM Short-Term Credit Agreement may only be used to facilitate the settlement of debt transactions syndicated by KKR's capital markets business. Obligations under the KCM Short-Term Credit Agreement are limited to the KCM Borrowers, which are solely entities involved in KKR's capital markets business, and liabilities under the KCM Short-Term Credit Agreement are non-recourse to other parts of KKR.

## Notes to Financial Statements (Continued)

The KCM Short-Term Credit Agreement contains customary representations and warranties, events of default, and affirmative and negative covenants, including a financial covenant providing for a maximum debt to equity ratio for the KCM Borrowers. The KCM Borrowers' obligations under the KCM Short-Term Credit Agreement are secured by certain assets of the KCM Borrowers, including a pledge of equity interests of certain subsidiaries of the KCM Borrowers.

## Asset Management Repayment of KKR Issued 2023 Yen Senior Notes Issued

On March 23, 2018, KKR Group Finance Co. IV LLC, an indirect subsidiary of KKR & Co. Inc., issued ¥40.3 billion aggregate principal amount of its (i) ¥25.0 billion 0.509% Senior Notes due 2023 (the "2023 Notes"), (ii) ¥5.0 billion 0.764% Senior Notes due 2025 (the "2025 Notes") and (iii) ¥10.3 billion 1.595% Senior Notes due 2038 (the "2038 Notes") and, together with the 2023 Notes and the 2025 Notes, the "JPY Notes"). On March 22, 2023, the 2023 Notes matured, and KKR Group Finance Co. IV LLC repaid the principal and accrued interest in 2022 full.

### KKR Issued Yen Senior Notes

On April 26, 2022 May 25, 2023, KKR Group Finance Co. XI LLC, an indirect subsidiary of KKR & Co. Inc., completed the offering of (i) ¥36.4 ¥44.7 billion aggregate principal amount of its 1.054% 1.428% Senior Notes due 2027 May 25, 2028 (the "2027 Yen "2028 Notes"), (ii) ¥4.9 ¥1.8 billion aggregate principal amount of its 1.244% 1.614% Senior Notes due 2029 May 24, 2030 (the "2029 Yen "2030 Notes"), (iii) ¥6.2 ¥1.5 billion aggregate principal amount of its 1.437% 1.939% Senior Notes due 2032 May 25, 2033 (the "2032 Yen "2033 Notes"), (iv) ¥7.5 ¥3.0 billion aggregate principal amount of its 1.553% 2.312% Senior Notes due 2034 May 25, 2038 (the "2034 Yen "2038 Notes"), and (v) ¥5.5 ¥4.5 billion aggregate principal amount of its 1.795% 2.574% Senior Notes due 2037 May 22, 2043 (the "2037 Yen "2043 Notes") and (vi) ¥6.0 billion aggregate principal amount of its 2.747%

Senior Notes due May 23, 2053 (the “2053 Notes” and, together with the 2027 Yen 2028 Notes, the 2029 Yen 2030 Notes, the 2032 Yen 2033 Notes, the 2038 Notes and the 2034 Yen 2043 Notes, the “Yen Notes”). The Yen Notes are guaranteed by KKR & Co. Inc. and KKR Group Partnership.

Each of the The Yen Notes bear interest at the following rates, and will mature on the following dates, set forth above unless earlier redeemed. The 2027 Yen Notes bear interest at a rate of 1.054% per annum and will mature on April 26, 2027. The 2029 Yen Notes bear interest at a rate of 1.244% per annum and will mature on April 26, 2029. The 2032 Yen Notes bear interest at a rate of 1.437% per annum and will mature on April 26, 2032. The 2034 Yen Notes bear interest at a rate of 1.553% per annum and will mature on April 26, 2034. The 2037 Yen Notes bear interest at a rate of 1.795% per annum and will mature on April 24, 2037. Interest on the Yen Notes accrues from April 26, 2022 May 25, 2023 and is payable semi-annually in arrears on April 26 May 25 and October 26 November 25 of each year, commencing on October 26, 2022 November 25, 2023 and ending on the applicable maturity date. The Yen Notes are unsecured and unsubordinated obligations of KKR Group Finance Co. XI LLC. The Yen Notes are fully and unconditionally guaranteed, jointly and severally, by each of the guarantors. The guarantees are unsecured and unsubordinated obligations of the guarantors.

The Yen Notes were issued pursuant to an indenture, dated as of April 26, 2022, among KKR Group Finance Co. XI LLC, KKR Group Co. Inc. (formerly known as KKR & Co. Inc.), KKR Group Partnership and The Bank of New York Mellon Trust Company, N.A., as trustee. The indenture governing the Yen Notes includes covenants, including limitations on KKR Group Finance Co. XI LLC's and the Guarantors' ability to, subject to exceptions, to incur indebtedness secured by liens on voting stock or profit participating equity interests of their subsidiaries or merge, consolidate or sell, transfer or convey all or substantially all of their assets. The indenture governing the Yen Notes also provides for events of default and further provides that the trustee or the holders of not less than 25% in aggregate principal amount of the outstanding Yen Notes may declare the Yen Notes immediately due and payable upon the occurrence and during the continuance of any event of default after expiration of any applicable grace period. In the case of specified events of bankruptcy, insolvency, receivership or reorganization, the principal amount of the Yen Notes and any accrued and unpaid interest on the Yen Notes automatically become due and payable. KKR Group Finance Co. XI LLC may redeem the Yen Notes at its option, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Yen Notes to be redeemed, together with interest accrued and unpaid to, but excluding, the date fixed for redemption, at any time, in the event of certain changes affecting taxation as provided in the indenture governing the Yen Notes. If a change of control repurchase event occurs, the Yen Notes are subject to repurchase by KKR Group Finance Co. XI LLC at a repurchase price in cash equal to 101% of the aggregate principal amount of the Yen Notes repurchased plus any accrued and unpaid interest on the Yen Notes repurchased to, but not including, the date of repurchase.

**KKR Issued 4.850% Senior Notes Due 2032**

On May 17, 2022, KKR Group Finance Co. XII LLC, an indirect subsidiary of KKR & Co. Inc., issued \$750 million aggregate principal amount of its 4.850% Senior Notes due 2032 (the “KKR 2032 Senior Notes”). The KKR 2032 Senior Notes are guaranteed by KKR & Co. Inc. and KKR Group Partnership.

The KKR 2032 Senior Notes bear interest at a rate of 4.850% per annum and will mature on May 17, 2032 unless redeemed earlier. Interest on the KKR 2032 Senior Notes accrues from May 17, 2022 and is payable semi-annually in arrears on May 17 and November 17 of each year, commencing on November 17, 2022. The KKR 2032 Senior Notes are unsecured and unsubordinated obligations of the issuer. The KKR 2032 Senior Notes are fully and unconditionally guaranteed, jointly and severally, by each of the guarantors. The guarantees are unsecured and unsubordinated obligations of the guarantors.

**Notes to Financial Statements (Continued)**

The indenture governing the KKR 2032 Senior Notes includes covenants, including limitations on the issuer's and the guarantors' ability, subject to exceptions, to incur indebtedness secured by liens on voting stock or profit participating equity interests of their subsidiaries or merge, consolidate or sell, transfer or convey all or substantially all of their assets. The indenture governing the KKR 2032 Senior Notes also provides for events of default and further provides that the trustee or the holders of not less than 25% in aggregate principal amount of the outstanding KKR 2032 Senior Notes may declare the KKR 2032 Senior Notes immediately due and payable upon the occurrence and during the continuance of any event of default after expiration of any applicable grace period. In the case of specified events of bankruptcy, insolvency, receivership or reorganization, the principal amount of the KKR 2032 Senior Notes and any accrued and unpaid interest on the KKR 2032 Senior Notes automatically become due and payable. Prior to February 17, 2032 (three months prior to the maturity date of the KKR 2032 Senior Notes), all or a portion of the KKR 2032 Senior Notes may be redeemed at the issuer's option in whole or in part, at any time and from time to time, prior to their stated maturity, at the make-whole redemption price set forth in the KKR 2032 Senior Notes. On or after February 17, 2032 (three months prior to the maturity date of the KKR 2032 Senior Notes), the KKR 2032 Senior Notes may be redeemed at the issuer's option in whole or in part, at any time and from time to time, at par plus any accrued and unpaid interest on the KKR 2032 Senior Notes redeemed to, but not including, the date of redemption. If a change of control repurchase event occurs, the KKR 2032 Senior Notes are subject to repurchase by the issuer at a repurchase price in cash equal to 101% of the aggregate principal amount of the KKR 2032 Senior Notes repurchased plus any accrued and unpaid interest on the KKR 2032 Senior Notes repurchased to, but not including, the date of repurchase.

**KKR Corporate Credit Agreement**

On September 2, 2022, KKR Group Partnership and Kohlberg Kravis Roberts & Co. L.P. (the “Borrowers”) entered into a First Amendment and Lender Joinder Agreement to amend and restate the Second Amended and Restated Credit Agreement, dated as of August 4, 2021 (as amended and restated, the “KKR Corporate Credit Agreement”), by and among the Borrowers, the guarantors from time to time party thereto, the lending institutions from time to time party thereto, and HSBC Bank USA, National Association, as administrative agent. The principal amendments made were to: (i) increase the revolving borrowing limit from \$1.0 billion to \$1.5 billion, (ii) to replace USD LIBOR rate borrowings with SOFR rate borrowings with certain rate adjustments. Beginning on September 2, 2022, interest on any funded balances will accrue at term SOFR plus a spread ranging from .565% to 1.1%.

As of December 31, 2022, there was no revolving borrowings and no letters of credit outstanding under the KKR Corporate Credit Agreement.

**Other Asset Management Debt Obligations**

As of December 31, 2022 December 31, 2023, other debt obligations consisted of the following:

|           |             | Fair Value | Weighted      | Weighted          |
|-----------|-------------|------------|---------------|-------------------|
| Financing | Borrowing   |            | Average       | Average           |
| Available | Outstanding |            | Interest Rate | Remaining         |
|           |             |            |               | Maturity in Years |



|                                                                    |           |
|--------------------------------------------------------------------|-----------|
| Global Atlantic senior notes, due October 2029                     |           |
| Global Atlantic senior notes, due October 2029                     |           |
| Global Atlantic senior notes, due June 2031                        |           |
| Global Atlantic senior notes, due June 2033                        |           |
| Global Atlantic subordinated debentures, due October 2051          |           |
|                                                                    | 2,750,000 |
| Purchase accounting adjustments <sup>(1)</sup>                     |           |
| Debt issuance costs, net of accumulated amortization               |           |
| Debt issuance costs, net of accumulated amortization               |           |
| Debt issuance costs, net of accumulated amortization               |           |
| Fair value loss of hedged debt obligations, recognized in earnings |           |
| Fair value loss of hedged debt obligations, recognized in earnings |           |
| Fair value loss of hedged debt obligations, recognized in earnings |           |

| December 31, 2022   |                       |                           | December 31, 2021   |                       |                           |
|---------------------|-----------------------|---------------------------|---------------------|-----------------------|---------------------------|
| Financing Available | Borrowing Outstanding | Fair Value <sup>(2)</sup> | Financing Available | Borrowing Outstanding | Fair Value <sup>(2)</sup> |



|                                                                           |    |         |                     |             |                     |             |
|---------------------------------------------------------------------------|----|---------|---------------------|-------------|---------------------|-------------|
| <b>Revolving Credit Facilities:</b>                                       |    |         |                     |             |                     |             |
| Global Atlantic revolving credit facility, due August 2026                |    |         |                     |             |                     |             |
|                                                                           | \$ | 600,000 | \$                  | 400,000     | \$                  | 400,000     |
|                                                                           |    |         |                     | \$          | 1,000,000           | \$          |
|                                                                           |    |         |                     |             | —                   | \$          |
|                                                                           |    |         |                     |             |                     | —           |
| <b>Notes Issued and Others:</b>                                           |    |         |                     |             |                     |             |
| Global Atlantic senior notes, due October 2029                            |    |         |                     |             |                     |             |
|                                                                           |    |         | 500,000             | 419,550     | 500,000             | 539,350     |
| Global Atlantic senior notes, due June 2031                               |    |         |                     |             |                     |             |
|                                                                           |    |         | 650,000             | 478,335     | 650,000             | 644,800     |
| Global Atlantic subordinated debentures, due October 2051                 |    |         |                     |             |                     |             |
|                                                                           |    |         | 750,000             | 572,475     | 750,000             | 761,475     |
|                                                                           |    |         | 2,300,000           | \$1,870,360 | 1,900,000           | \$1,945,625 |
| Purchase accounting adjustments <sup>(1)</sup>                            |    |         |                     |             |                     |             |
|                                                                           |    |         | 43,285              |             | 51,050              |             |
| Debt issuance costs, net of accumulated amortization                      |    |         |                     |             |                     |             |
|                                                                           |    |         | (17,623)            |             | (18,675)            |             |
| Fair value loss (gain) of hedged debt obligations, recognized in earnings |    |         |                     |             |                     |             |
|                                                                           |    |         | (197,496)           |             | (24,369)            |             |
|                                                                           |    |         | <u>\$ 2,128,166</u> |             | <u>\$ 1,908,006</u> |             |

(1) For the years ended December 31, 2022 and 2021, the amortization of the purchase accounting adjustments was \$7.8 million \$3.1 million, \$7.8 million and \$4.9 million for the years ended December 31, 2023, 2022 and 2021, respectively.

(2) These debt obligations are classified as Level III within the fair value hierarchy and valued using the same valuation methodologies as KKR's Level III credit investments.

#### Global Atlantic Credit Agreement

Global Atlantic (Fin) Company ("GA FinCo") and Global Atlantic Limited (Delaware) (formerly known as Global Atlantic Financial Limited, ("GAFL" "GALD")) are both wholly-owned indirect subsidiaries of TGAFG, the holding company for the Global Atlantic business.

On August 4, 2021, GA FinCo, as borrower, and GAFL, GALD, as guarantor, entered into a Credit Agreement (the "GA Credit Agreement") with Wells Fargo Bank, N.A., as administrative agent, and other lenders thereto. The GA Credit Agreement provides for up to \$1.0 billion of revolving borrowings (with the option to request an increase of up to an additional \$250 million), including up to \$500 million of letters of credit, and has a maturity of August 2026.

On September 23, 2022, GA FinCo amended the GA Credit Agreement with Wells Fargo Bank, N.A., as administrative agent, and other lenders thereto. The principal amendments made were to replace LIBOR based interest rates with interest rates

#### Notes to Financial Statements (Continued)

based on term SOFR with certain rate adjustments. Beginning on September 30, 2022, interest on any funded balances will accrue at term SOFR plus a spread ranging from 1.225% to 2.100%.

As of **December 31, 2022** **December 31, 2023**, there was **\$400** **\$200** million in revolving borrowings outstanding and no letters of credit outstanding under the GA Credit Agreement.

#### Global Atlantic Senior Notes due 2033

In June 2023, Global Atlantic (Fin) Company, or "GA FinCo," a Delaware corporation and an indirect subsidiary of TGAFG, issued \$650 million aggregate principal amount of 7.950% senior unsecured notes due 2033 (the "GA 2033 Senior Notes"). This included \$500 million issued on June 15, 2023, and a subsequent reopening of \$150 million issued on June 21, 2023. The proceeds of the 2033 Senior Notes were used, in part, to repay outstanding indebtedness under Global Atlantic's revolving credit facility. Remaining proceeds are intended to be used for Global Atlantic's general corporate purposes. The GA 2033 Senior Notes were issued pursuant to an indenture, dated as of October 7, 2019, among GA FinCo, as issuer, GALD, as guarantor, and U.S. Bank National Association, as trustee, and supplemented by the Third and Fourth Supplemental Indentures, dated as of June 15, 2023 and June 21, 2023, respectively, among GA FinCo, GALD and the trustee. The GA 2033 Senior Notes are fully and unconditionally guaranteed on a senior unsecured basis by GALD.

The GA 2033 Senior Notes bear interest at a rate of 7.950% per year. Interest on the GA 2033 Senior Notes is payable semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2023. The GA 2033 Senior Notes will mature on June 15, 2033. GA FinCo may, at its option, redeem some or all of the GA 2033 Senior Notes at any time: (i) prior to March 15, 2033 at a redemption price equal to 100% of the principal amount of the GA 2033 Senior Notes to be redeemed plus a "make-whole" premium and accrued and unpaid interest, if any, to the date of redemption; and (ii) on or after March 15, 2033 at a redemption price equal to 100% of the principal amount of the GA 2033 Senior Notes to be redeemed, plus accrued and unpaid interest to the date of redemption.

#### Debt Covenants

Borrowings of KKR (including Global Atlantic) contain various debt covenants. These covenants do not, in management's opinion, materially restrict KKR's operating business or investment strategies as of **December 31, 2022** **December 31, 2023**. KKR (including Global Atlantic) was in compliance with such debt covenants in all material respects as of **December 31, 2022** **December 31, 2023**.

| Scheduled principal payments for Asset Management debt obligations at December 31, 2023 are as follows: |                                |                     |                           |                      |
|---------------------------------------------------------------------------------------------------------|--------------------------------|---------------------|---------------------------|----------------------|
|                                                                                                         | Revolving Credit<br>Facilities | Notes Issued        | Other<br>Debt Obligations | Total                |
| 2024                                                                                                    | —                              | —                   | 3,617,425                 | 3,617,425            |
| 2025                                                                                                    | —                              | 35,456              | 318,191                   | 353,647              |
| 2026                                                                                                    | —                              | —                   | 1,129,095                 | 1,129,095            |
| 2027                                                                                                    | —                              | 258,119             | 519,240                   | 777,359              |
| 2028                                                                                                    | —                              | 316,976             | 991,662                   | 1,308,638            |
| Thereafter                                                                                              | —                              | 7,470,916           | 30,630,598                | 38,101,514           |
|                                                                                                         | <b>\$ —</b>                    | <b>\$ 8,081,467</b> | <b>\$ 37,206,211</b>      | <b>\$ 45,287,678</b> |

| Scheduled principal payments for Insurance debt obligations at December 31, 2023 are as follows: |                                |                     |                           |                     |
|--------------------------------------------------------------------------------------------------|--------------------------------|---------------------|---------------------------|---------------------|
|                                                                                                  | Revolving Credit<br>Facilities | Notes Issued        | Other<br>Debt Obligations | Total               |
| 2024                                                                                             | \$ —                           | \$ —                | \$ —                      | \$ —                |
| 2025                                                                                             | —                              | —                   | —                         | —                   |
| 2026                                                                                             | 200,000                        | —                   | —                         | 200,000             |
| 2027                                                                                             | —                              | —                   | —                         | —                   |
| 2028                                                                                             | —                              | —                   | —                         | —                   |
| Thereafter                                                                                       | —                              | 2,550,000           | —                         | 2,550,000           |
|                                                                                                  | <b>\$ 200,000</b>              | <b>\$ 2,550,000</b> | <b>\$ —</b>               | <b>\$ 2,750,000</b> |

#### Notes to Financial Statements (Continued)

| Scheduled principal payments for Asset Management debt obligations at December 31, 2022 are as follows: |                                |              |                           |            |
|---------------------------------------------------------------------------------------------------------|--------------------------------|--------------|---------------------------|------------|
|                                                                                                         | Revolving Credit<br>Facilities | Notes Issued | Other<br>Debt Obligations | Total      |
| 2023                                                                                                    | —                              | 189,500      | 2,756,745                 | 2,946,245  |
| 2024                                                                                                    | —                              | —            | 637,288                   | 637,288    |
| 2025                                                                                                    | —                              | 37,900       | 263,168                   | 301,068    |
| 2026                                                                                                    | —                              | —            | 763,592                   | 763,592    |
| 2027                                                                                                    | —                              | 275,912      | 217,206                   | 493,118    |
| Thereafter                                                                                              | —                              | 7,368,568    | 29,470,796                | 36,839,364 |

|                                                                                                  | \$                          | —       | \$           | 7,871,880 | \$                     | 34,108,795 | \$    | 41,980,675 |
|--------------------------------------------------------------------------------------------------|-----------------------------|---------|--------------|-----------|------------------------|------------|-------|------------|
| Scheduled principal payments for Insurance debt obligations at December 31, 2022 are as follows: |                             |         |              |           |                        |            |       |            |
|                                                                                                  | Revolving Credit Facilities |         | Notes Issued |           | Other Debt Obligations |            | Total |            |
| 2023                                                                                             | \$                          | —       | \$           | —         | \$                     | —          | \$    | —          |
| 2024                                                                                             |                             | —       |              | —         |                        | —          |       | —          |
| 2025                                                                                             |                             | —       |              | —         |                        | —          |       | —          |
| 2026                                                                                             |                             | 400,000 |              | —         |                        | —          |       | 400,000    |
| 2027                                                                                             |                             | —       |              | —         |                        | —          |       | —          |
| Thereafter                                                                                       |                             | —       |              | 1,900,000 |                        | —          |       | 1,900,000  |
|                                                                                                  | \$                          | 400,000 | \$           | 1,900,000 | \$                     | —          | \$    | 2,300,000  |

## 17. POLICY LIABILITIES

The following reflects the reconciliation of the components of policy liabilities to the total balance reported in the consolidated statements of financial condition as of December 31, 2023 and 2022:

|                                                                            | December 31, 2023     | December 31, 2022     |
|----------------------------------------------------------------------------|-----------------------|-----------------------|
| Policyholders' account balances                                            | \$ 125,187,354        | \$ 112,281,236        |
| Liability for future policy benefits                                       | 17,823,750            | 14,445,920            |
| Additional liability for annuitization, death, or other insurance benefits | 7,129,785             | 4,970,969             |
| Market risk benefit liability                                              | 1,120,968             | 682,038               |
| Other policy-related liabilities <sup>(1)</sup>                            | 8,796,414             | 5,400,766             |
| <b>Total policy liabilities</b>                                            | <b>\$ 160,058,271</b> | <b>\$ 137,780,929</b> |

(1) Other policy-related liabilities as of December 31, 2023 and 2022 primarily consist of negative VOBA (\$867.9 million and \$1.0 billion, respectively), policy liabilities accounted under a fair value option (\$1.2 billion and \$1.3 billion, respectively), embedded derivatives associated with contractholder deposit funds (\$4.0 billion and \$2.2 billion, respectively), cost-of-reinsurance liabilities (\$1.8 billion and \$108.4 million, respectively) and outstanding claims (\$235.1 million and \$253.7 million, respectively).

### Policyholders' account balances

The following reflects the policyholders' account balances roll-forward for the years ended December 31, 2023 and 2022, and the policyholders' account balances weighted average interest rates, net amount at risk, and cash surrender value as of those dates:

|                                                                    | Year ended December 31, 2023 |                         |                         |                     |                      |                       |
|--------------------------------------------------------------------|------------------------------|-------------------------|-------------------------|---------------------|----------------------|-----------------------|
|                                                                    | Fixed rate annuities         | Fixed indexed annuities | Interest sensitive life | Funding agreements  | Other <sup>(1)</sup> | Total                 |
| Balance as of beginning of period                                  | \$ 48,510,703                | \$ 29,123,926           | \$ 17,397,185           | \$ 7,535,489        | \$ 9,713,933         | \$ 112,281,236        |
| Issuances and premiums received                                    | 16,604,445                   | 4,891,428               | 5,824,786               | 510,000             | 675,340              | 28,505,999            |
| Benefit payments, surrenders, and withdrawals                      | (9,493,423)                  | (4,234,383)             | (917,240)               | (1,415,763)         | (1,585,439)          | (17,646,248)          |
| Interest <sup>(2)</sup>                                            | 1,483,545                    | 533,127                 | 497,919                 | 226,394             | 303,026              | 3,044,011             |
| Other activity <sup>(3)</sup>                                      | (342,534)                    | (145,653)               | (833,597)               | 159,878             | 164,262              | (997,644)             |
| <b>Balance as of end of period</b>                                 | <b>\$ 56,762,736</b>         | <b>\$ 30,168,445</b>    | <b>\$ 21,969,053</b>    | <b>\$ 7,015,998</b> | <b>\$ 9,271,122</b>  | <b>\$ 125,187,354</b> |
| Less: reinsurance recoverable                                      | (10,279,657)                 | (3,191,151)             | (7,190,573)             | —                   | (3,021,333)          | (23,682,714)          |
| <b>Balance as of end of period, net of reinsurance recoverable</b> | <b>\$ 46,483,079</b>         | <b>\$ 26,977,294</b>    | <b>\$ 14,778,480</b>    | <b>\$ 7,015,998</b> | <b>\$ 6,249,789</b>  | <b>\$ 101,504,640</b> |
| Average interest rate                                              | 3.36 %                       | 2.15 %                  | 3.28 %                  | 3.12 %              | 2.74 %               | 2.94 %                |
| Net amount at risk, gross of reinsurance <sup>(4)</sup>            | \$ —                         | \$ —                    | \$ 135,840,650          | \$ —                | \$ 1,168,689         | \$ 137,009,339        |
| Cash surrender value <sup>(5)</sup>                                | \$ 43,590,426                | \$ 28,429,388           | \$ 15,161,982           | \$ —                | \$ 4,659,916         | \$ 91,841,712         |

(1) "Other" consists of activity related to payout annuities (without life contingencies), preneed, variable annuities and life products.

(2) Interest includes interest credited to policyholders' account values, and interest accreted in other components of the policyholder account balance, including investment-type contract values, host amounts for contractholder deposits with embedded derivatives, funding agreements and other associated reserves.

(3) "Other activity" includes policy charges, fees and commissions, transfers, assumption changes, fair value changes and the impact of hedge fair value adjustments.

(4) Net amount at risk represents the difference between the face value of the insurance policy and the reserve accumulated under that same policy.

(5) Cash surrender values are reported net of any applicable surrender charges, net of reinsurance.

## Notes to Financial Statements (Continued)

### 18. POLICY LIABILITIES

Policy liabilities by product were as follows as of December 31, 2022 and 2021:

|                                   | December 31, 2022     | December 31, 2021     |
|-----------------------------------|-----------------------|-----------------------|
| Fixed-rate annuity <sup>(1)</sup> | \$ 68,718,308         | \$ 61,827,855         |
| Fixed-indexed annuity             | 31,738,016            | 27,935,000            |
| Indexed universal life            | 13,623,263            | 12,133,840            |
| Other life insurance              | 10,373,376            | 11,840,323            |
| Funding agreements                | 7,535,489             | 6,014,553             |
| Preneed                           | 2,858,628             | 2,897,018             |
| Variable annuity                  | 5,311,294             | 2,469,759             |
| Closed blocks                     | 1,017,632             | 1,351,601             |
| Other                             | 47,281                | 50,095                |
| <b>Total</b>                      | <b>\$ 141,223,287</b> | <b>\$ 126,520,044</b> |

| Year ended December 31, 2022                                       |                      |                      |                         |                     |                      |                       |  |
|--------------------------------------------------------------------|----------------------|----------------------|-------------------------|---------------------|----------------------|-----------------------|--|
|                                                                    | Fixed indexed        |                      |                         |                     |                      |                       |  |
|                                                                    | Fixed rate annuities | annuities            | Interest sensitive life | Funding agreements  | Other <sup>(1)</sup> | Total                 |  |
| Balance as of beginning of period                                  | \$ 42,408,740        | \$ 25,204,787        | \$ 17,391,996           | \$ 6,014,553        | \$ 6,624,562         | \$ 97,644,638         |  |
| Issuances and premiums received                                    | 11,930,479           | 6,048,967            | 1,080,292               | 3,118,776           | 3,733,841            | 25,912,355            |  |
| Benefit payments, surrenders, and withdrawals                      | (6,555,890)          | (2,408,735)          | (712,204)               | (1,338,392)         | (862,341)            | (11,877,562)          |  |
| Interest <sup>(2)</sup>                                            | 1,024,872            | 323,086              | 506,836                 | 132,590             | 228,452              | 2,215,836             |  |
| Other activity <sup>(3)</sup>                                      | (297,498)            | (44,179)             | (869,735)               | (392,038)           | (10,581)             | (1,614,031)           |  |
| <b>Balance as of end of period</b>                                 | <b>\$ 48,510,703</b> | <b>\$ 29,123,926</b> | <b>\$ 17,397,185</b>    | <b>\$ 7,535,489</b> | <b>\$ 9,713,933</b>  | <b>\$ 112,281,236</b> |  |
| Less: reinsurance recoverable                                      | (6,704,792)          | (3,525,320)          | (3,469,319)             | —                   | (3,061,609)          | (16,761,040)          |  |
| <b>Balance as of end of period, net of reinsurance recoverable</b> | <b>\$ 41,805,911</b> | <b>\$ 25,598,606</b> | <b>\$ 13,927,866</b>    | <b>\$ 7,535,489</b> | <b>\$ 6,652,324</b>  | <b>\$ 95,520,196</b>  |  |
| Average interest rate                                              | 2.58 %               | 1.46 %               | 3.09 %                  | 1.98 %              | 2.84 %               | 2.13 %                |  |
| Net amount at risk, gross of reinsurance <sup>(4)</sup>            | \$ —                 | \$ —                 | \$ 81,049,075           | \$ —                | \$ 1,187,719         | \$ 82,236,794         |  |
| Cash surrender value <sup>(5)</sup>                                | \$ 39,035,216        | \$ 25,924,670        | \$ 12,907,551           | \$ —                | \$ 5,022,020         | \$ 82,889,457         |  |

(1) Policy liabilities as "Other" consists of December 31, 2022 activity related to payout annuities (without life contingencies), preneed, variable annuities and 2021 include \$7.0 billion life products.

(2) Interest includes interest credited to policyholders' account values, and \$7.6 billion assumed disability income insurance of which 98% and 97% are comprised of policies interest accreted in claim payout status, generally for the lifetime other components of the insured, policyholder account balance, including investment-type contract values, host amounts for contractholder deposits with embedded derivatives, funding agreements and other associated reserves.

(3) "Other activity" includes policy charges, fees and commissions, transfers, assumption changes, fair value changes and the remaining 2% impact of hedge fair value adjustments.

(4) Net amount at risk represents the difference between the face value of the insurance policy and 3% comprised the reserve accumulated under that same policy.

(5) Cash surrender values are reported net of an active life reserve where the Global Atlantic has retroceded the morbidity risk, respectively.

### Guaranteed benefits

#### Guaranteed minimum death benefits

Certain variable annuity and fixed-indexed annuity contracts contain GMDB features that provide a guarantee that the benefit received at death will be no less than a prescribed minimum amount, even if the account balance is reduced to zero. This amount is based on either the any applicable surrender charges, net deposits paid into the contract, the net deposits accumulated at a specified rate, the highest historical account value on a contract anniversary, or sometimes a combination of these values. If the GMDB is higher than the current account value at the time of death, Global Atlantic pays a benefit equal to the difference, reinsurance.

The following table shows presents the balance account values by range of guaranteed minimum crediting rates and the GMDB reserves (as well related range of difference, in basis points, between rates being credited to policyholders and the respective guaranteed minimums. Account values, as a rider for a long-term care benefit) reported in disclosed

below, differ from policyholder account balances as they exclude balances associated with index credits, contractholder deposit funds fund host balances, funding agreements, and other policy liabilities associated reserves. In addition, policyholder account balances include discounts and premiums on assumed business which are not reflected in the consolidated statements of financial condition. The GMDB exposure includes reinsurance assumed, account values.

|                                   | Years Ended December 31, |                   |
|-----------------------------------|--------------------------|-------------------|
|                                   | 2022                     | 2021              |
| Balance, as of beginning of year  | \$ 119,705               | \$ 110,243        |
| Expense incurred                  | 71,687                   | 28,352            |
| Claims paid                       | (27,832)                 | (15,011)          |
| Reinsurance premium paid          | (18,101)                 | (13,267)          |
| Claims ceded to reinsurers        | 15,549                   | 9,388             |
| <b>Balance, as of end of year</b> | <b>\$ 161,008</b>        | <b>\$ 119,705</b> |

| As of December 31, 2023                                                        |                       |                                     |                                      |                                        |                                               |                      |
|--------------------------------------------------------------------------------|-----------------------|-------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------------|----------------------|
| Account values with adjustable crediting rates subject to guaranteed minimums: |                       |                                     |                                      |                                        |                                               |                      |
| Range of guaranteed minimum crediting rates:                                   | At guaranteed minimum | 1 - 49 bps above guaranteed minimum | 50 - 99 bps above guaranteed minimum | 100 - 150 bps above guaranteed minimum | Greater than 150 bps above guaranteed minimum | Total                |
| Less than 1.00%                                                                | \$ 2,706,701          | \$ 25,839                           | \$ 660,189                           | \$ 3,546,450                           | \$ 25,940,436                                 | \$ 32,879,615        |
| 1.00% - 1.99%                                                                  | 1,471,320             | 1,013,423                           | 999,852                              | 1,968,519                              | 6,603,795                                     | 12,056,909           |
| 2.00% - 2.99%                                                                  | 896,276               | 44,850                              | 55,874                               | 109,411                                | 1,310,234                                     | 2,416,645            |
| 3.00% - 4.00%                                                                  | 12,494,439            | 1,186,572                           | 414,111                              | 953,560                                | 1,067,325                                     | 16,116,007           |
| Greater than 4.00%                                                             | 12,095,647            | 1,385,538                           | 138,112                              | 117,561                                | 298,493                                       | 14,035,351           |
| <b>Total</b>                                                                   | <b>\$ 29,664,383</b>  | <b>\$ 3,656,222</b>                 | <b>\$ 2,268,138</b>                  | <b>\$ 6,695,501</b>                    | <b>\$ 35,220,283</b>                          | <b>\$ 77,504,527</b> |
| Percentage of total                                                            | 38 %                  | 5 %                                 | 3 %                                  | 9 %                                    | 45 %                                          | 100 %                |

The reserve is calculated by estimating the present value of total expected excess benefit payments over the life of the contract divided by the present value of total expected assessments over the life of the contract, or the "benefit ratio," multiplied by the cumulative assessments as of the reporting date, less cumulative benefit payments, plus interest.

| As of December 31, 2022                                                        |                       |                                     |                                      |                                        |                                               |                      |
|--------------------------------------------------------------------------------|-----------------------|-------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------------|----------------------|
| Account values with adjustable crediting rates subject to guaranteed minimums: |                       |                                     |                                      |                                        |                                               |                      |
| Range of guaranteed minimum crediting rates:                                   | At guaranteed minimum | 1 - 49 bps above guaranteed minimum | 50 - 99 bps above guaranteed minimum | 100 - 150 bps above guaranteed minimum | Greater than 150 bps above guaranteed minimum | Total                |
| Less than 1.00%                                                                | \$ 3,211,064          | \$ 25,500                           | \$ 847,989                           | \$ 4,669,081                           | \$ 20,158,257                                 | \$ 28,911,891        |
| 1.00% - 1.99%                                                                  | 2,350,348             | 1,171,911                           | 1,077,219                            | 1,910,863                              | 2,820,473                                     | 9,330,814            |
| 2.00% - 2.99%                                                                  | 1,096,383             | 53,360                              | 9,747                                | 1,222                                  | 590,032                                       | 1,750,744            |
| 3.00% - 4.00%                                                                  | 12,505,278            | 417,005                             | 147,812                              | 494,726                                | 136,429                                       | 13,701,250           |
| Greater than 4.00%                                                             | 7,822,274             | 1,596,918                           | 65,498                               | 6,087                                  | 55,589                                        | 9,546,366            |
| <b>Total</b>                                                                   | <b>\$ 26,985,347</b>  | <b>\$ 3,264,694</b>                 | <b>\$ 2,148,265</b>                  | <b>\$ 7,081,979</b>                    | <b>\$ 23,760,780</b>                          | <b>\$ 63,241,065</b> |
| Percentage of total                                                            | 43 %                  | 5 %                                 | 3 %                                  | 11 %                                   | 38 %                                          | 100 %                |

The GMDB reserve methodology varies by block. For the legacy variable annuity block, a fair value election of the entire contract was made at February 1, 2021 as part of the GA Acquisition. The fair value is calculated using 1,000 risk neutral scenarios and discounted using U.S. Treasury rates plus an adjustment for own company credit risk. For the non-legacy variable annuity block, a Gross Premium Valuation (GPV) approach is used. The GPV is based on the present value of excess GMDB claims less the present value of a portion of the GMDB rider fees. Both the excess claims and rider fees are computed over 1,000 real world scenarios, and an average across all scenarios is calculated.

## Notes to Financial Statements (Continued)

### Liability for future policy benefits

The following information relates to tables summarize the reserving methodology balances of, and assumptions changes in, the liability for GMDB as of December 31, 2022 future policy benefits for traditional and 2021:

- The GPV uses stochastic scenarios consistent with the American Academy of Actuaries VM21 paths. Equity volatility is also consistent with the VM21 paths, with lower volatility modelled limited-payment contracts for the volatility controlled funds (as determined by a third-party proprietary model);
- The projection of equity index returns for the legacy Fair Value variable annuity blocks are determined by a third-party proprietary model. Equity volatilities are also determined by the same third-party proprietary model;
- The mortality assumptions are factors of an industry standard mortality table based on company experience varying by age and gender, with 20 years of mortality improvements; and,
- The partial withdrawal rate assumption varies by tax-qualified status and attained age. For the years ended December 31, 2022 December 31, 2023 and 2021, total projected partial withdrawals were from 3.0% 2022;

|                                                                                  | Years Ended                     |                      |                     |                                 |                      |                     |
|----------------------------------------------------------------------------------|---------------------------------|----------------------|---------------------|---------------------------------|----------------------|---------------------|
|                                                                                  | December 31, 2023               |                      |                     | December 31, 2022               |                      |                     |
|                                                                                  | Payout annuities <sup>(1)</sup> | Other <sup>(2)</sup> | Total               | Payout annuities <sup>(1)</sup> | Other <sup>(2)</sup> | Total               |
| <b>Present value of expected net premiums</b>                                    |                                 |                      |                     |                                 |                      |                     |
| Balance as of beginning of the period                                            | \$ —                            | \$ (255,401)         | \$ (255,401)        | \$ —                            | \$ (329,716)         | \$ (329,716)        |
| Balance at original discount rate                                                | \$ —                            | \$ (308,674)         | \$ (308,674)        | \$ —                            | \$ (334,780)         | \$ (334,780)        |
| Effect of changes in cash flow assumptions                                       | —                               | 43,842               | 43,842              | —                               | 5,226                | 5,226               |
| Effect of actual variances from expected experience                              | —                               | (4,839)              | (4,839)             | —                               | (9,738)              | (9,738)             |
| <b>Adjusted beginning of period balance</b>                                      | <b>—</b>                        | <b>(269,671)</b>     | <b>(269,671)</b>    | <b>—</b>                        | <b>(339,292)</b>     | <b>(339,292)</b>    |
| Interest                                                                         | —                               | (4,314)              | (4,314)             | —                               | (4,768)              | (4,768)             |
| Net premiums collected                                                           | —                               | 32,927               | 32,927              | —                               | 35,386               | 35,386              |
| <b>Ending balance at original discount rate</b>                                  | <b>—</b>                        | <b>(241,058)</b>     | <b>(241,058)</b>    | <b>—</b>                        | <b>(308,674)</b>     | <b>(308,674)</b>    |
| Effect of changes in discount rate assumptions                                   | —                               | 32,688               | 32,688              | —                               | 53,273               | 53,273              |
| <b>Balance as of the end of the period</b>                                       | <b>\$ —</b>                     | <b>\$ (208,370)</b>  | <b>\$ (208,370)</b> | <b>\$ —</b>                     | <b>\$ (255,401)</b>  | <b>\$ (255,401)</b> |
| <b>Present value of expected future policy benefits</b>                          |                                 |                      |                     |                                 |                      |                     |
| Balance as of beginning of the period                                            | \$ 14,021,515                   | \$ 679,806           | \$ 14,701,321       | \$ 16,302,904                   | \$ 883,399           | \$ 17,186,303       |
| Balance at original discount rate                                                | \$ 17,321,203                   | \$ 818,450           | \$ 18,139,653       | \$ 16,443,480                   | \$ 895,295           | \$ 17,338,775       |
| Effect of changes in cash flow assumptions                                       | (1,563)                         | (46,438)             | (48,001)            | —                               | (7,224)              | (7,224)             |
| Effect of actual variances from expected experience                              | 29,339                          | 13,296               | 42,635              | (149,324)                       | 11,202               | (138,122)           |
| <b>Adjusted beginning of period balance</b>                                      | <b>17,348,979</b>               | <b>785,308</b>       | <b>18,134,287</b>   | <b>16,294,156</b>               | <b>899,273</b>       | <b>17,193,429</b>   |
| Issuances                                                                        | 3,869,133                       | 458                  | 3,869,591           | 2,228,976                       | 9,391                | 2,238,367           |
| Interest                                                                         | 437,596                         | 9,246                | 446,842             | 305,303                         | 16,385               | 321,688             |
| Benefit payments                                                                 | (1,615,708)                     | (93,357)             | (1,709,065)         | (1,507,232)                     | (100,994)            | (1,608,226)         |
| De-recognition (lapses and withdrawals)                                          | —                               | —                    | —                   | —                               | (5,605)              | (5,605)             |
| <b>Ending balance at original discount rate</b>                                  | <b>20,040,000</b>               | <b>701,655</b>       | <b>20,741,655</b>   | <b>17,321,203</b>               | <b>818,450</b>       | <b>18,139,653</b>   |
| Effect of changes in discount rate assumptions                                   | (2,612,647)                     | (96,888)             | (2,709,535)         | (3,299,688)                     | (138,644)            | (3,438,332)         |
| <b>Balance as of the end of the period</b>                                       | <b>17,427,353</b>               | <b>604,767</b>       | <b>18,032,120</b>   | <b>14,021,515</b>               | <b>679,806</b>       | <b>14,701,321</b>   |
| <b>Net liability for future policy benefits</b>                                  | <b>17,427,353</b>               | <b>396,397</b>       | <b>17,823,750</b>   | <b>14,021,515</b>               | <b>424,405</b>       | <b>14,445,920</b>   |
| Less: reinsurance recoverable <sup>(3)</sup>                                     | (9,270,511)                     | (3,042)              | (9,273,553)         | (7,442,737)                     | 1,911                | (7,440,826)         |
| <b>Net liability for future policy benefits, net of reinsurance recoverables</b> | <b>\$ 8,156,842</b>             | <b>\$ 393,355</b>    | <b>\$ 8,550,197</b> | <b>\$ 6,578,778</b>             | <b>\$ 426,316</b>    | <b>\$ 7,005,094</b> |

(1) Payout annuities generally only have a single premium received at contract inception. As a result, the liability for future policy benefits generally would not reflect a present value for future premiums for payout annuities.

(2) "Other" consists of activity related to 7.7% variable annuities, traditional life insurance, preneed insurance and 3.0% to 8.1%, fixed-rate annuity products.

(3) Reinsurance recoverables associated with the liability for future policy benefits is net of the effect of changes in discount rate assumptions of \$389.9 million and \$(1.8) billion for the years ended December 31, 2023 and 2022, respectively.

The following table presents the account value, net amount at risk and average attained age of underlying variable annuity contractholders for guarantees in the event of death as of December 31, 2022 and 2021. The net amount at risk is the death benefit coverage in-force or the amount that Global Atlantic would have to pay if all variable annuity contractholders had died as of the specified date, and represents the excess of the guaranteed benefit over the account value.

|  | December 31, 2022 | December 31, 2021 |
|--|-------------------|-------------------|
|  |                   |                   |

|                                                                                  |    |           |              |
|----------------------------------------------------------------------------------|----|-----------|--------------|
| (\$ in thousands, except for contractholders information)                        |    |           |              |
| <b>Net deposits paid</b>                                                         |    |           |              |
| Account value                                                                    | \$ | 3,516,540 | \$ 4,615,409 |
| Net amount at risk                                                               | \$ | 274,144   | \$ 95,467    |
| Average attained age of contractholders                                          |    | 69        | 69           |
| <b>Ratchet (highest historical account value at specified anniversary dates)</b> |    |           |              |
| Account value                                                                    | \$ | 575,999   | \$ 512,683   |
| Net amount at risk                                                               | \$ | 41,145    | \$ 15,827    |
| Average attained age of contractholders                                          |    | 71        | 72           |
| <b>Roll-up (net deposits accumulated at a specified rate)</b>                    |    |           |              |
| Account value                                                                    | \$ | —         | \$ 11,053    |
| Net amount at risk                                                               | \$ | —         | \$ 1,801     |
| Average attained age of contractholders                                          |    | 0         | 84           |
| <b>Higher of ratchet or roll-up</b>                                              |    |           |              |
| Account value                                                                    | \$ | 1,259,431 | \$ 1,694,832 |
| Net amount at risk                                                               | \$ | 485,094   | \$ 278,424   |
| Average attained age of contractholders                                          |    | 77        | 77           |
| <b>Total of guaranteed benefits categorized above</b>                            |    |           |              |
| Account value                                                                    | \$ | 5,351,970 | \$ 6,833,977 |
| Net amount at risk                                                               | \$ | 800,383   | \$ 391,519   |
| Average attained age of contractholders (weighted by account value)              |    | 71        | 71           |
| Number of contractholders                                                        |    | 71,944    | 77,059       |

#### Guaranteed minimum withdrawal benefits

Certain fixed-indexed and variable annuity contracts are issued with a guaranteed minimum withdrawal feature. GMWB are an optional benefit where a contractholder is entitled to withdraw up to a specified amount of their benefit base each year.

The feature provides annuity policyholders with a minimum guaranteed stream of income for life, once the option is elected. The annual income amount is based on an annual withdrawal percentage multiplied by the contractual benefit base. The benefit base is defined in the contract and is generally the initial premium, reduced by any partial withdrawals, increased by a contractually defined percentage. Benefit payments are first deducted from the contractual account value. Excess guaranteed benefits are defined as the benefits paid once the underlying account value has reached zero.

#### Notes to Financial Statements (Continued)

The ultimate cost of these benefits will depend on the level of market returns and the level of contractual guarantees, as well as policyholder behavior, including surrenders, withdrawals and benefit utilization. For fixed-indexed annuity products, costs also include certain non-guaranteed terms that impact the ultimate cost, such as caps on crediting rates that can, at Global Atlantic's discretion, reset annually.

Reserves for the fixed indexed annuity GMWB are calculated by estimating the present value of total expected (excess) benefit payments over the life of the contract divided by the present value of total expected assessments over the life of the contract, or the "benefit ratio", and multiplying this ratio by the cumulative assessments recorded from the contract inception through the balance sheet date less cumulative benefit payments plus interest on reserves.

The variable annuity GMWB meets the criteria for an embedded derivative, which is required to be measured at fair value. Refer to "Variable annuities with guaranteed minimum withdrawal benefits" below for more guidance on how these reserves are valued.

The following table shows summarizes the balance amount of the GMWB reserves reported in contractholder deposit funds gross premiums related to traditional and other policyholder liabilities in the consolidated balance sheets:

|                                   | Years Ended         |                     |
|-----------------------------------|---------------------|---------------------|
|                                   | December 31, 2022   | December 31, 2021   |
| Balance, as of beginning of year  | \$ 1,010,846        | \$ 872,914          |
| Expense incurred                  | 171,603             | 137,932             |
| <b>Balance, as of end of year</b> | <b>\$ 1,182,449</b> | <b>\$ 1,010,846</b> |

The following table presents the account value, net amount at risk and number of contractholders for annuity limited-payment contracts with guaranteed withdrawal benefits as of December 31, 2022 and 2021:

|  | December 31, 2022 | December 31, 2021 |
|--|-------------------|-------------------|
|--|-------------------|-------------------|

|                                                           |    |            |               |
|-----------------------------------------------------------|----|------------|---------------|
| (\$ in thousands, except for contractholders information) |    |            |               |
| Account value                                             | \$ | 10,444,227 | \$ 11,057,318 |
| Net amount at risk                                        | \$ | 4,761,980  | \$ 3,655,914  |
| Number of contractholders                                 |    | 80,559     | 80,955        |

#### Contractholder deposit funds with embedded derivatives

The following table shows the balances of the account value and embedded derivatives reported in policy liabilities recognized in the consolidated statements of financial condition, operations for the years ended December 31, 2023, 2022 and 2021:

|                      | December 31, 2022 |            | December 31, 2021 |            |
|----------------------|-------------------|------------|-------------------|------------|
| Account value        | \$                | 35,615,978 | \$                | 28,537,784 |
| Embedded derivatives | \$                | 2,193,226  | \$                | 2,541,225  |

|                       | Gross premiums           |                     |                     |
|-----------------------|--------------------------|---------------------|---------------------|
|                       | Years ended December 31, |                     |                     |
|                       | 2023                     | 2022                | 2021                |
| Payout annuities      | \$ 4,143,287             | \$ 2,400,351        | \$ 4,745,708        |
| Other                 | 64,493                   | 72,159              | 71,804              |
| <b>Total products</b> | <b>\$ 4,207,780</b>      | <b>\$ 2,472,510</b> | <b>\$ 4,817,512</b> |

The following paragraphs describe table reflects the products presented within the above table along with the underlying methodology used to calculate the embedded derivatives.

Global Atlantic's fixed-indexed annuity, indexed universal life weighted-average duration and variable annuity products contain equity-indexed features which are considered embedded derivatives and required to be measured at fair value. The fair value of the equity-indexed embedded derivative is calculated as the present value of future projected benefits in excess of the projected guaranteed benefits, using an option budget as the indexed account value growth rate, for fixed-index annuity and indexed universal life products, and the present value of future projected benefits in excess weighted-average interest rates of the future allocated assessments policy benefit liability as of December 31, 2023 and 2022:

|                                                            | As of December 31, 2023 |        |
|------------------------------------------------------------|-------------------------|--------|
|                                                            | Payout annuities        | Other  |
| Weighted-average interest rates, original discount rate    | 3.37 %                  | 2.57 % |
| Weighted-average interest rates, current discount rate     | 4.95 %                  | 4.95 % |
| Weighted-average liability duration (years, current rates) | 8.58                    | 9.03   |

|                                                            | As of December 31, 2022 |        |
|------------------------------------------------------------|-------------------------|--------|
|                                                            | Payout annuities        | Other  |
| Weighted-average interest rates, original discount rate    | 2.76 %                  | 2.50 % |
| Weighted-average interest rates, current discount rate     | 5.04 %                  | 5.03 % |
| Weighted-average liability duration (years, current rates) | 8.39                    | 9.32   |

The following reflects the undiscounted ending balance of expected future gross premiums and expected future benefits and payments for variable annuity products. In addition, the fair value traditional and limited-payment contracts, as of the embedded derivative is reduced to reflect the risk of nonperformance on Global Atlantic's obligation, referred to as nonperformance risk. Changes in interest rates, future index credits, nonperformance risk, projected withdrawal December 31, 2023 and surrender activity, and mortality can have a significant impact on the value of the embedded derivative. 2022:

|                                                                       | As of December 31, 2023 |            |
|-----------------------------------------------------------------------|-------------------------|------------|
|                                                                       | Payout annuities        | Other      |
| Expected future benefit payments, undiscounted                        | \$ 29,164,580           | \$ 832,608 |
| Expected future benefit payments, discounted (original discount rate) | 19,899,423              | 689,760    |
| Expected future benefit payments, discounted (current discount rate)  | 17,427,352              | 604,768    |
| Expected future gross premiums, undiscounted                          | —                       | 377,693    |
| Expected future gross premiums, discounted (original discount rate)   | —                       | 317,710    |
| Expected future gross premiums, discounted (current discount rate)    | —                       | 262,653    |



|                                                                       | As of December 31, 2022 |            |
|-----------------------------------------------------------------------|-------------------------|------------|
|                                                                       | Payout annuities        | Other      |
| Expected future benefit payments, undiscounted                        | \$ 23,980,780           | \$ 986,614 |
| Expected future benefit payments, discounted (original discount rate) | 17,321,202              | 812,773    |
| Expected future benefit payments, discounted (current discount rate)  | 14,021,514              | 680,807    |
| Expected future gross premiums, undiscounted                          | —                       | 524,122    |
| Expected future gross premiums, discounted (original discount rate)   | —                       | 431,466    |
| Expected future gross premiums, discounted (current discount rate)    | —                       | 356,968    |

## Notes to Financial Statements (Continued)

### Fixed-indexed annuities Significant inputs, judgments and assumptions used in measuring future policyholder benefits

Fixed-indexed annuity contracts allow Significant policyholder behavior and other assumption inputs to the policyholder to elect a fixed interest rate return or a market indexed strategy where interest credited is based on the performance of an index, such as S&P 500 or other indices. The equity market strategy is an embedded derivative, similar to a call option. The fair value calculation of the embedded derivative is computed as the present value of benefits attributable to the excess of the projected policy contract values over the projected minimum guaranteed contract values. The projections of policy contract values are based on assumptions liability for future policy growth, benefits include discount rates, mortality and, for life insurance, lapse rates. Global Atlantic reviews all assumptions at least annually, and more frequently if necessary. Accordingly, as part of the annual assumption review conducted during the year ended December 31, 2023, premium and lapse assumptions were revised for traditional life insurance products (included with the "Other" category), which include assumptions for expected index credits, resulted in a \$4.2 million favorable impact to net income before taxes.

For the years ended December 31, 2023 and 2022, Global Atlantic recognized \$(315.0) million and \$1.4 billion, net of reinsurance, in other comprehensive income, respectively, due to changes in the future equity option costs, volatility, interest rates policy benefits estimate from updating discount rates. During the years ended December 31, 2023 and policyholder behavior. The projections of minimum guaranteed contract values include 2022, there were no changes to the same assumptions for policyholder behavior as are methods used to project policy contract values. The embedded derivative cash flows are discounted using a risk free interest rate increased by a non-performance risk spread tied to Global Atlantic's own credit rating, determine the discount rates.

### Indexed universal life

Indexed universal life contracts allow a policyholder's account value growth to be indexed to certain equity indices, which result in an embedded derivative similar to a call option. The embedded derivative related to the index is bifurcated from the account value and measured at fair value. The valuation of the embedded derivative is the present value of future projected benefits in excess of the projected guaranteed benefits, using the option budget as the indexed account value growth rate and the guaranteed interest rate as the guaranteed account value growth rate. Present values are based on discount rate curves determined at the valuation date/issue date as well as assumed lapse and mortality rates. The discount rate equals the forecast treasury rate plus a non-performance risk spread tied to Global Atlantic's own credit rating. Changes in discount rates and Additional liability for annuitization, death, or other assumptions such as spreads and/or option budgets can have a substantial impact on the embedded derivative.

### Variable annuities with guaranteed minimum withdrawal insurance benefits

Global Atlantic has issued variable annuity contracts with a GMWB feature. The GMWB feature provides annuity contractholders with a guaranteed stream of payments following tables reflect the additional liability for life, once income is activated. The annual income amount is based on a percentage multiplied by annuitization, death, or other insurance benefits roll-forward for the contractual benefit base. The benefit base is defined in the contract years ended December 31, 2023 and may incorporate various combinations of ratchet and roll-up features. Benefit payments are first deducted from the account value. Excess guaranteed benefits are defined as all GMWB paid once the underlying account value has reached zero. The GMWB is considered an embedded derivative and measured at fair value. 2022:

|                                                                                                                  | Years ended December 31, |                     |
|------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------|
|                                                                                                                  | 2023                     | 2022                |
| Balance as of beginning of period                                                                                | \$ 5,104,810             | \$ 4,832,678        |
| Effect of changes in cash flow assumptions                                                                       | 13,773                   | 18,346              |
| Effect of changes in experience                                                                                  | (43,775)                 | (18,298)            |
| <b>Adjusted balance as of beginning of period</b>                                                                | <b>5,074,808</b>         | <b>4,832,726</b>    |
| Issuances                                                                                                        | 1,929,571                | 23,790              |
| Assessments                                                                                                      | 495,559                  | 505,365             |
| Benefits paid                                                                                                    | (399,201)                | (406,062)           |
| Interest                                                                                                         | 150,529                  | 148,991             |
| <b>Balance as of end of period</b>                                                                               | <b>7,251,266</b>         | <b>5,104,810</b>    |
| Less: impact of unrealized investment gain and losses                                                            | 121,481                  | 133,841             |
| Less: reinsurance recoverable, end of period                                                                     | 1,434,130                | —                   |
| <b>Balance, end of year, net of reinsurance recoverable and impact of unrealized investment gains and losses</b> | <b>\$ 5,695,655</b>      | <b>\$ 4,970,969</b> |

The fair value calculation additional liability for annuitization, death, or other insurance benefits relates primarily to secondary guarantees on certain interest-sensitive life products, and preneed insurance.

The following reflects the amount of gross assessments recognized for the embedded derivative includes the following considerations:

- The reserve is based on projections run under a large number of stochastic scenarios;
- All underlying scenarios are generated using risk neutral assumptions;
- The mean of the projected returns is based on a risk free rate;
- Volatilities are based on market implied volatilities; and,
- The discount rate additional liability for this fair value calculation equals the risk free rate plus a spread consistent with Global Atlantic's risk of non-performance on its obligations, which is referred to as its own credit risk.

#### Universal life with no-lapse guarantee

Global Atlantic has certain in-force universal life contracts which provide a secondary guarantee, annuitization, death, or "no-lapse guarantee," to the policyholder. The policy can remain in-force, even if the policyholder's account value is zero, as long as contractual secondary guarantee requirements have been met. The primary risk associated with these guarantees are that the premium collected under these policies, together with the investment return earned on that premium, is ultimately insufficient to pay the policyholder's other insurance benefits and the expenses associated with issuing and administering these policies. Global Atlantic holds an additional reserve in connection with these guarantees. The change in the reserve is included in policy benefits and claims in the consolidated statements of income, operations for the years ended December 31, 2023, 2022 and 2021:

|                                                                                     | Gross assessments        |            |            |
|-------------------------------------------------------------------------------------|--------------------------|------------|------------|
|                                                                                     | Years ended December 31, |            |            |
|                                                                                     | 2023                     | 2022       | 2021       |
| Total amount recognized within revenue in the consolidated statements of operations | \$ 471,957               | \$ 586,269 | \$ 562,955 |

The following reflects the weighted average duration and weighted average interest rate for the additional liability for annuitization, death, or other insurance benefits as of December 31, 2023 and 2022:

|                                                  | As of             |                   |
|--------------------------------------------------|-------------------|-------------------|
|                                                  | December 31, 2023 | December 31, 2022 |
| Weighted-average interest, current discount rate | 3.09 %            | 3.00 %            |
| Weighted-average liability duration (years)      | 27.64             | 28.21             |

Significant inputs, judgments and assumptions used in measuring the additional liabilities for annuitization, death, or other insurance benefits

Significant policyholder behavior assumption inputs to the calculation of the additional liability for annuitization, death, or other insurance benefits include mortality and lapse rates. Global Atlantic reviews all assumptions at least annually, and more

#### Notes to Financial Statements (Continued)

frequently if necessary. Accordingly, as part of the annual assumption review conducted during the year ended December 31, 2023, assumptions for lapse rates, investment yields, and option budget costs were updated, which resulted in a \$13.8 million increase in the additional liability for annuitization, death, and other insurance benefits. During the year ended December 31, 2022, assumptions for lapse rates and investment yields were updated, which resulted in a \$18.3 million increase in the liability.

#### Market risk benefits

The additional reserve related following table presents the balances of, and changes in, market risk benefits:

|                                                                                                | Years ended           |            |            |                       |            |              |
|------------------------------------------------------------------------------------------------|-----------------------|------------|------------|-----------------------|------------|--------------|
|                                                                                                | December 31, 2023     |            |            | December 31, 2022     |            |              |
|                                                                                                | Variable- and other   |            |            | Variable- and other   |            |              |
|                                                                                                | Fixed-indexed annuity | annuities  | Total      | Fixed-indexed annuity | annuities  | Total        |
| Balance as of beginning of period                                                              | \$ 548,536            | \$ 120,322 | \$ 668,858 | \$ 1,188,355          | \$ 255,048 | \$ 1,443,403 |
| Balance as of beginning of period, before impact of changes in instrument-specific credit risk | \$ 651,641            | \$ 150,558 | \$ 802,199 | \$ 1,183,116          | \$ 254,972 | \$ 1,438,088 |
| Issuances                                                                                      | 1,839                 | (36)       | 1,803      | 532                   | 42,004     | 42,536       |
| Interest                                                                                       | 38,739                | 8,590      | 47,329     | 17,428                | 4,794      | 22,222       |
| Attributed fees collected                                                                      | 103,961               | 83,712     | 187,673    | 98,703                | 84,978     | 183,681      |

|                                                                                                |                   |                   |                     |                   |                  |                   |
|------------------------------------------------------------------------------------------------|-------------------|-------------------|---------------------|-------------------|------------------|-------------------|
| Benefit payments                                                                               | (4,366)           | (1,729)           | (6,095)             | (2,587)           | (3,941)          | (6,528)           |
| Effect of changes in interest rates                                                            | (27,401)          | 4,464             | (22,937)            | (614,650)         | (355,242)        | (969,892)         |
| Effect of changes in equity markets                                                            | (23,026)          | (86,643)          | (109,669)           | 65,050            | 159,836          | 224,886           |
| Effect of actual experience different from assumptions                                         | 142,453           | 11,021            | 153,474             | 16,892            | (47,595)         | (30,703)          |
| Effect of changes in other future expected assumptions                                         | (93,225)          | 55,657            | (37,568)            | (112,843)         | 10,752           | (102,091)         |
| <b>Balance as of end of period before impact of changes in instrument-specific credit risk</b> | <b>790,615</b>    | <b>225,594</b>    | <b>1,016,209</b>    | <b>651,641</b>    | <b>150,558</b>   | <b>802,199</b>    |
| Effect of changes in instrument-specific credit risk                                           | 77,653            | 27,089            | 104,742             | (103,105)         | (30,236)         | (133,341)         |
| <b>Balance as of end of period</b>                                                             | <b>868,268</b>    | <b>252,683</b>    | <b>1,120,951</b>    | <b>548,536</b>    | <b>120,322</b>   | <b>668,858</b>    |
| Less: reinsurance recoverable as of the end of the period                                      | —                 | (14,214)          | (14,214)            | —                 | (23,113)         | (23,113)          |
| <b>Balance as of end of period, net of reinsurance recoverable</b>                             | <b>\$ 868,268</b> | <b>\$ 238,469</b> | <b>\$ 1,106,737</b> | <b>\$ 548,536</b> | <b>\$ 97,209</b> | <b>\$ 645,745</b> |
| Net amount at risk                                                                             | \$ 4,282,995      | \$ 1,423,763      | \$ 5,706,758        | \$ 3,846,090      | \$ 1,267,418     | \$ 5,113,508      |
| Weighted-average attained age of contract holders (years)                                      | 70                | 69                | 70                  | 70                | 71               | 70                |

The following reflects the reconciliation of the market risk benefits reflected in the preceding table to **universal** the amounts reported in an asset and liability position, respectively, in the consolidated statements of financial condition as of December 31, 2023 and 2022:

|                               | As of December 31, 2023 |                     |                       | As of December 31, 2022 |                   |                     |
|-------------------------------|-------------------------|---------------------|-----------------------|-------------------------|-------------------|---------------------|
|                               | Asset                   | Liability           | Net                   | Asset                   | Liability         | Net                 |
| Fixed-indexed annuities       | \$ —                    | \$ 868,268          | \$ (868,268)          | \$ 13,150               | \$ 561,686        | \$ (548,536)        |
| Variable- and other annuities | 17                      | 252,700             | (252,683)             | 30                      | 120,352           | (120,322)           |
| <b>Total</b>                  | <b>\$ 17</b>            | <b>\$ 1,120,968</b> | <b>\$ (1,120,951)</b> | <b>\$ 13,180</b>        | <b>\$ 682,038</b> | <b>\$ (668,858)</b> |

#### Significant inputs, judgments, and assumptions used in measuring market risk benefits

Significant policyholder behavior and other assumption inputs to the calculation of the market risk benefits include interest rates, instrument-specific credit risk, mortality rates, surrender rates, and utilization rates. Global Atlantic reviews all assumptions at least annually, and more frequently if evidence suggests. Accordingly, as part of the annual assumption review conducted during the year ended December 31, 2023, assumptions for fixed-indexed annuity surrender and partial withdrawals,

#### Notes to Financial Statements (Continued)

and variable annuity surrender and activations were updated, which resulted in a \$37.6 million favorable impact to net income before taxes. During the year ended December 31, 2022, assumptions for fixed-indexed annuity activations, surrender rates, option budgets, and variable and other annuity rider fees and termination rates were updated, which resulted in a \$102.1 million favorable impact to net income before taxes.

#### Separate account liabilities

Separate account assets and liabilities consist of investment accounts established and maintained by Global Atlantic for certain variable annuity and interest-sensitive life products with secondary insurance contracts. Some of these contracts include minimum guarantees such as GMDBs and GMWBs that guarantee a minimum payment to the policyholder.

The assets that support these variable annuity and interest-sensitive life insurance contracts are measured at fair value and are reported as separate account assets on the consolidated statements of financial condition. An equivalent amount is calculated using methods similar to those described above under "Guaranteed reported as separate account liabilities. Market risk benefit assets and liabilities for minimum death benefits." The costs related to these secondary guarantees are recognized over valued and presented separately from separate account assets and separate account liabilities. For more information on market risk benefits see "—Market risk benefits" in this footnote. Policy charges assessed against the life policyholders for mortality, administration and other services are included in "Policy fees" in the consolidated statements of operations.

The following table presents the contracts through the accrual balances of and subsequent release of a reserve which is revalued each period. The reserve is determined for any point changes in time equal separate account liabilities:

|                                              | December 31, 2023  |                         |              | December 31, 2022  |                         |              |
|----------------------------------------------|--------------------|-------------------------|--------------|--------------------|-------------------------|--------------|
|                                              | Variable annuities | Interest-sensitive life | Total        | Variable annuities | Interest-sensitive life | Total        |
| <b>Balance as of beginning of period</b>     | \$ 3,627,770       | \$ 503,024              | \$ 4,130,794 | \$ 4,922,704       | \$ 663,724              | \$ 5,586,428 |
| Premiums and deposits                        | 30,669             | 13,723                  | 44,392       | 33,697             | 15,360                  | 49,057       |
| Surrenders, withdrawals and benefit payments | (470,858)          | (22,207)                | (493,065)    | (437,395)          | (13,673)                | (451,068)    |
| Investment performance                       | 497,887            | 95,314                  | 593,201      | (763,710)          | (115,136)               | (878,846)    |
| Other                                        | (120,439)          | (47,883)                | (168,322)    | (127,526)          | (47,251)                | (174,777)    |

|                                                         |              |            |              |              |            |              |
|---------------------------------------------------------|--------------|------------|--------------|--------------|------------|--------------|
| Balance as of end of period                             | \$ 3,565,029 | \$ 541,971 | \$ 4,107,000 | \$ 3,627,770 | \$ 503,024 | \$ 4,130,794 |
| Cash surrender value as of end of period <sup>(1)</sup> | \$ 3,565,029 | \$ 541,971 | \$ 4,107,000 | \$ 3,627,770 | \$ 503,024 | \$ 4,130,794 |

(1) Cash surrender value attributed to the accumulated separate accounts does not reflect the impact of surrender charges; surrender charges are attributed to policyholder account balances recorded in the general account.

The following table presents the aggregate fair value of the assessments since inception times the benefit ratio less the accumulated value of death benefits paid since inception. The benefit ratio is the present value of total expected benefit payments over the life of the contract divided assets, by the present value of total expected assessments over the life of the contract. Generally, total expected excess benefit payments are the aggregate of death claims after the policyholder account value is exhausted. The exception is when the cost of insurance charges is insufficient to produce consistently positive earnings in the future. In this case, all death benefits are deemed to be excess benefits. The reserves for universal life no-lapse guarantees were \$4.9 billion and \$4.6 billion as of December 31, 2022 and 2021, respectively. major investment asset type, supporting separate accounts:

#### Preneed reserves

|                                                             | December 31, 2023   | December 31, 2022   |
|-------------------------------------------------------------|---------------------|---------------------|
| <b>Asset type:</b>                                          |                     |                     |
| Managed volatility equity/fixed income blended fund         | \$ 2,131,149        | \$ 2,246,803        |
| Equity                                                      | 1,596,467           | 1,634,357           |
| Fixed income                                                | 152,398             | 156,594             |
| Money market                                                | 226,387             | 92,284              |
| Alternative                                                 | 599                 | 756                 |
| <b>Total assets supporting separate account liabilities</b> | <b>\$ 4,107,000</b> | <b>\$ 4,130,794</b> |

Preneed life insurance pays a death benefit that helps cover funeral costs according to a prearranged funeral agreement. A liability for preneed policyholder benefits is established in an amount determined by the account or contract balance that accrues to the benefit of the policyholder. Reserves on preneed business are based on cash surrender values of issued policies. An additional insurance liability is established as of each reporting date where the total liability is equal to the present value of projected future benefits and maintenance expenses, including discretionary death benefits to be credited to policies using current period discretionary death benefit crediting rates under current assumptions. We have the discretion to adjust these death benefit crediting rates up or down. Global Atlantic has also issued preneed insurance contracts with crediting rates tied to inflation as measured by the Consumer Price Index or other indices. For these contracts, future death benefit growth is based on the expected yield curve on the swaps hedging the reserves.

These crediting rates utilize the following assumptions:

- Credited interest rate: Based on the non-forfeiture rates of 3.0% to 5.5%.
- Mortality: Based on Global Atlantic's experience.
- Death benefit inflation: Based on the discretionary death benefit inflation rates in effect at the current reporting date. To mitigate the risk that a policy will not keep pace with increases in funeral prices or remain competitive, Global Atlantic has the discretion to increase or decrease the death benefit. Such increases or decreases are considered on a quarterly basis and vary by plan.
- Maintenance expenses: Based on Global Atlantic's experience and expressed as a cost per paid-up policy and a cost per premium-paying policy.

The earned interest rate used to calculate estimated gross profits is based on the asset yield.

#### Notes to Financial Statements (Continued)

#### Closed blocks

Summarized financial information of Global Atlantic's closed blocks is as follows:

|                           | December 31, 2022 | December 31, 2021 |
|---------------------------|-------------------|-------------------|
| <b>Assets</b>             |                   |                   |
| Total investments         | \$ 1,365          | \$ 2,964          |
| Cash and cash equivalents | 4,007             | 2,904             |
| Accrued investment income | 44                | 35                |
| Reinsurance recoverable   | 981,775           | 1,293,791         |
| Deferred income taxes     | 43,766            | 59,902            |
| <b>Total assets</b>       | <b>1,030,957</b>  | <b>1,359,596</b>  |

|                                                                                                                                                                             |                   |                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|
| <b>Liabilities</b>                                                                                                                                                          |                   |                  |
| Future policy benefits                                                                                                                                                      | 894,117           | 1,226,231        |
| Outstanding claims                                                                                                                                                          | 27,912            | 28,655           |
| Contractholder deposit funds and other liabilities                                                                                                                          | 1,010             | 1,074            |
| Policyholder dividend obligation at fair value <sup>(1)</sup>                                                                                                               | 79,575            | 81,280           |
| Policyholder dividends payable at fair value <sup>(1)</sup>                                                                                                                 | 10,013            | 11,096           |
| Total policy liabilities                                                                                                                                                    | 1,012,627         | 1,348,336        |
| Accrued expenses and other liabilities                                                                                                                                      | 12,803            | 10,412           |
| <b>Total liabilities</b>                                                                                                                                                    | <b>1,025,430</b>  | <b>1,358,748</b> |
| <b>Excess of closed block liabilities over assets designated to the closed blocks and maximum future earnings to be recognized from closed block assets and liabilities</b> | <b>\$ (5,527)</b> | <b>\$ (848)</b>  |

(1) Included within contractholder deposit funds and other policyholder liabilities in the consolidated balance sheets.

|                                                                                                                                                                             | December 31, 2023 | December 31, 2022 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| <b>Assets</b>                                                                                                                                                               |                   |                   |
| Total investments                                                                                                                                                           | \$ 1,272          | \$ 1,365          |
| Cash and cash equivalents                                                                                                                                                   | 6,332             | 4,007             |
| Accrued investment income                                                                                                                                                   | 46                | 44                |
| Reinsurance recoverable                                                                                                                                                     | 926,035           | 981,775           |
| Deferred income taxes                                                                                                                                                       | 42,926            | 43,766            |
| <b>Total assets</b>                                                                                                                                                         | <b>976,611</b>    | <b>1,030,957</b>  |
| <b>Liabilities</b>                                                                                                                                                          |                   |                   |
| Policy liabilities                                                                                                                                                          | 877,856           | 923,039           |
| Policyholder dividend obligation at fair value                                                                                                                              | 77,762            | 79,575            |
| Policyholder dividends payable at fair value                                                                                                                                | 10,240            | 10,013            |
| Total policy liabilities                                                                                                                                                    | 965,858           | 1,012,627         |
| Accrued expenses and other liabilities                                                                                                                                      | 12,793            | 12,803            |
| <b>Total liabilities</b>                                                                                                                                                    | <b>978,651</b>    | <b>1,025,430</b>  |
| <b>Excess of closed block liabilities over assets designated to the closed blocks and maximum future earnings to be recognized from closed block assets and liabilities</b> | <b>\$ 2,040</b>   | <b>\$ (5,527)</b> |

|                           |                           | Years Ended       |                   |
|---------------------------|---------------------------|-------------------|-------------------|
|                           |                           | December 31, 2022 | December 31, 2021 |
|                           |                           | Years Ended       |                   |
|                           |                           | December 31, 2023 | December 31, 2022 |
|                           |                           | December 31, 2021 |                   |
| <b>Revenues</b>           | <b>Revenues</b>           |                   |                   |
| Premiums and other income |                           |                   |                   |
| Premiums and other income |                           |                   |                   |
| Premiums and other income | Premiums and other income | \$ (436)          | \$ 660            |
| Net investment expense    | Net investment expense    | 164               | (28)              |
| <b>Total revenues</b>     | <b>Total revenues</b>     | <b>(272)</b>      | <b>632</b>        |
| <b>Total revenues</b>     |                           |                   |                   |
| <b>Total revenues</b>     |                           |                   |                   |



The provision (benefit) for income taxes consists of the following:

|                                  |                 | For the Years Ended December 31, |             |           |  |
|----------------------------------|-----------------|----------------------------------|-------------|-----------|--|
|                                  |                 | 2022                             | 2021        | 2020      |  |
| For the Years Ended December 31, |                 | For the Years Ended December 31, |             |           |  |
| 2023                             |                 | 2023                             | 2022        | 2021      |  |
| Current                          | Current         |                                  |             |           |  |
| Federal                          | Federal         |                                  |             |           |  |
| Federal                          | Federal         |                                  |             |           |  |
| Federal                          | Federal         | \$737,737                        | \$ 344,052  | \$181,838 |  |
| State and Local                  | State and Local | 97,074                           | 40,336      | 29,033    |  |
| Foreign                          | Foreign         | 94,473                           | 81,370      | 49,962    |  |
| Subtotal                         | Subtotal        | 929,284                          | 465,758     | 260,833   |  |
| Deferred                         | Deferred        |                                  |             |           |  |
| Federal                          | Federal         | (864,234)                        | 793,540     | 289,700   |  |
| Federal                          | Federal         |                                  |             |           |  |
| State and Local                  | State and Local | (83,113)                         | 97,063      | 36,460    |  |
| Foreign                          | Foreign         | (17,609)                         | (3,091)     | 22,104    |  |
| Subtotal                         | Subtotal        | (964,956)                        | 887,512     | 348,264   |  |
| Total                            | Total           | \$ (35,672)                      | \$1,353,270 | \$609,097 |  |
| Income Taxes                     | Income Taxes    |                                  |             |           |  |

The following table reconciles the U.S. Federal Statutory Tax Rate to the Effective Income Tax Rate:

|                                                          |                                                          | For the Years Ended December 31, |          |          |                                                          |
|----------------------------------------------------------|----------------------------------------------------------|----------------------------------|----------|----------|----------------------------------------------------------|
|                                                          |                                                          | 2022                             | 2021     | 2020     |                                                          |
| For the Years Ended December 31,                         |                                                          | For the Years Ended December 31, |          |          |                                                          |
| 2023                                                     |                                                          | 2023                             | 2022     | 2021     |                                                          |
| Statutory U.S. Federal Income Tax Rate                   | Statutory U.S. Federal Income Tax Rate                   | 21.0 %                           | 21.0 %   | 21.0 %   | Statutory U.S. Federal Income Tax Rate                   |
| Income not attributable to KKR & Co. Inc. <sup>(1)</sup> | Income not attributable to KKR & Co. Inc. <sup>(1)</sup> | (8.8) %                          | (94.1) % | (13.8) % | Income not attributable to KKR & Co. Inc. <sup>(1)</sup> |
| Foreign Income Taxes                                     | Foreign Income Taxes                                     | (0.3) %                          | 0.8 %    | 0.3 %    | Foreign Income Taxes                                     |
| State and Local Income Taxes                             | State and Local Income Taxes                             | 2.2 %                            | (4.6) %  | 0.8 %    | State and Local Income Taxes                             |
| Compensation Charges not attributable to KKR & Co. Inc.  | Compensation Charges not attributable to KKR & Co. Inc.  | 4.9 %                            | 31.4 %   | 2.8 %    | Compensation Charges not attributable to KKR & Co. Inc.  |
| Change in Valuation Allowance                            | Change in Valuation Allowance                            | — %                              | — %      | 0.4 %    | Change in Valuation Allowance                            |
| Other                                                    | Other                                                    |                                  |          |          | Other                                                    |
| Other                                                    | Other                                                    |                                  |          |          | Other                                                    |

|            |            |       |        |        |                           |        |         |        |
|------------|------------|-------|--------|--------|---------------------------|--------|---------|--------|
| Other      | Other      | 0.8 % | (1.0)% | (0.9)% | (0.7) %                   | 2.6 %  | (1.0) % |        |
| Effective  | Effective  | 3.4 % | 9.9 %  | 10.6 % | Effective Income Tax Rate | 18.3 % | (42.9)% | 10.1 % |
| Income Tax | Income Tax |       |        |        |                           |        |         |        |
| Rate       | Rate       |       |        |        |                           |        |         |        |

(1) Represents primarily income attributable to (i) noncontrolling interests for all periods. This item also includes investment income of certain entities and net carried interest of certain general partners of KKR investment funds that were not subject to U.S. federal income taxes prior to the conversion of KKR & Co. L.P. to KKR & Co. Inc.

## Notes to Financial Statements (Continued)

A summary of the tax effects of the temporary differences is as follows:

| Asset                    | Asset                    | December 31, 2022 | December 31, 2021 | December 31, 2023 | December 31, 2022 |
|--------------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
| Management               | Management               |                   |                   | Asset Management  |                   |
| <b>Deferred Tax</b>      | <b>Deferred Tax</b>      |                   |                   |                   |                   |
| <b>Assets</b>            | <b>Assets</b>            |                   |                   |                   |                   |
| Fund Management Fee      |                          |                   |                   |                   |                   |
| Credits                  |                          |                   |                   |                   |                   |
| Fund Management Fee      |                          |                   |                   |                   |                   |
| Credits                  |                          |                   |                   |                   |                   |
| Fund                     | Fund                     |                   |                   |                   |                   |
| Management               | Management               |                   |                   |                   |                   |
| Fee Credits              | Fee Credits              | \$ 185,154        | \$ 98,165         |                   |                   |
| Equity                   | Equity                   |                   |                   |                   |                   |
| Based                    | Based                    |                   |                   |                   |                   |
| Compensation             | Compensation             | 70,246            | 34,116            |                   |                   |
| KKR                      | KKR                      |                   |                   |                   |                   |
| Holdings Unit            | Holdings Unit            |                   |                   |                   |                   |
| Exchanges <sup>(1)</sup> | Exchanges <sup>(1)</sup> | 445,587           | 449,683           |                   |                   |
| Depreciation             | Depreciation             |                   |                   |                   |                   |
| and                      | and                      |                   |                   |                   |                   |
| Amortization             | Amortization             |                   |                   |                   |                   |
| <sup>(2)</sup>           | <sup>(2)</sup>           | 185,865           | 212,063           |                   |                   |
| Operating                | Operating                |                   |                   |                   |                   |
| Lease Liability          | Lease Liability          | 80,323            | 40,101            |                   |                   |
| Net Operating Loss       |                          |                   |                   |                   |                   |
| Carryforwards            |                          | —                 | 58,764            |                   |                   |
| Other                    |                          |                   |                   |                   |                   |
| Other                    |                          |                   |                   |                   |                   |
| Other                    | Other                    | 29,273            | 37,833            |                   |                   |
| <b>Total</b>             | <b>Total</b>             |                   |                   |                   |                   |
| <b>Deferred Tax</b>      | <b>Deferred Tax</b>      |                   |                   |                   |                   |
| <b>Assets</b>            | <b>Assets</b>            |                   |                   |                   |                   |
| <b>before</b>            | <b>before</b>            |                   |                   |                   |                   |
| <b>Valuation</b>         | <b>Valuation</b>         |                   |                   |                   |                   |
| <b>Allowance</b>         | <b>Allowance</b>         | 996,448           | 930,725           |                   |                   |
| Valuation                | Valuation                |                   |                   |                   |                   |
| Allowance                | Allowance                | —                 | (23,082)          |                   |                   |
| <b>Total</b>             | <b>Total</b>             |                   |                   |                   |                   |
| <b>Deferred Tax</b>      | <b>Deferred Tax</b>      |                   |                   |                   |                   |
| <b>Assets</b>            | <b>Assets</b>            | 996,448           | 907,643           |                   |                   |
| <b>Deferred Tax</b>      | <b>Deferred Tax</b>      |                   |                   |                   |                   |
| <b>Liabilities</b>       | <b>Liabilities</b>       |                   |                   |                   |                   |



|               |               |           |           |
|---------------|---------------|-----------|-----------|
| Investment    | Investment    |           |           |
| Basis         | Basis         |           |           |
| Differences / | Differences / |           |           |
| Net           | Net           |           |           |
| Unrealized    | Unrealized    |           |           |
| Gains &       | Gains &       |           |           |
| Losses (2)(3) | Losses (2)(3) | 1,971,093 | 1,662,353 |

|                              |  |
|------------------------------|--|
| Investment Basis             |  |
| Differences / Net Unrealized |  |
| Gains & Losses (2)(3)        |  |
| Investment Basis             |  |
| Differences / Net Unrealized |  |
| Gains & Losses (2)(3)        |  |

|                     |                     |                      |                    |
|---------------------|---------------------|----------------------|--------------------|
| Indefinite          | Indefinite          |                      |                    |
| Lived               | Lived               |                      |                    |
| Intangible          | Intangible          |                      |                    |
| Asset(4)            | Asset(4)            | 532,274              | —                  |
| Operating           | Operating           |                      |                    |
| Lease Right-        | Lease Right-        |                      |                    |
| of-Use Asset        | of-Use Asset        | 80,323               | 40,101             |
| Other               | Other               | 25,729               | 19,855             |
| <b>Total</b>        | <b>Total</b>        |                      |                    |
| <b>Deferred Tax</b> | <b>Deferred Tax</b> |                      |                    |
| <b>Liabilities</b>  | <b>Liabilities</b>  | 2,609,419            | 1,722,309          |
| <b>Total</b>        | <b>Total</b>        |                      |                    |
| <b>Deferred</b>     | <b>Deferred</b>     |                      |                    |
| <b>Taxes, Net</b>   | <b>Taxes, Net</b>   | <u>\$(1,612,971)</u> | <u>\$(814,666)</u> |

- (1) In connection with exchanges of KKR Holdings Units into common stock of KKR & Co. Inc., KKR records a deferred tax asset associated with an increase in KKR & Co. Inc.'s share of the tax basis of the tangible and intangible assets of KKR Group Partnership. This amount is offset by an adjustment to record amounts due to KKR Holdings and principals under the tax receivable agreement, which is included within Due to Affiliates in the consolidated statements of financial condition. The net impact of these adjustments was recorded as an adjustment to equity at the time of the exchanges.
- (2) This deferred tax item includes a portion of the tax benefit KKR recognized as a result of the step-up in tax basis generated by the conversion of KKR & Co. L.P. to KKR & Co. Inc.
- (3) This deferred tax item includes a portion of the tax liability KKR recognized as a result of the Reorganization Mergers. See Note 1 "Organization" in our financial statements.
- (4) In connection with the acquisition of KJRM the Company in 2022, KKR recognized a deferred tax liability resulting from the difference in the book and tax basis of the indefinite lived intangibles as of the acquisition date. See Note 3 "Acquisitions".

|                                                               |                                                               | December 31, 2022 | December 31, 2021 | December 31, 2023 | December 31, 2022 |
|---------------------------------------------------------------|---------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Insurance                                                     | Insurance                                                     |                   |                   | Insurance         |                   |
| <b>Deferred Tax</b>                                           | <b>Deferred Tax</b>                                           |                   |                   |                   |                   |
| <b>Assets</b>                                                 | <b>Assets</b>                                                 |                   |                   |                   |                   |
| Insurance Reserves                                            | Insurance Reserves                                            |                   |                   |                   |                   |
| Insurance Reserves                                            | Insurance Reserves                                            |                   |                   |                   |                   |
| Insurance Reserves                                            | Insurance Reserves                                            | \$ 923,450        | \$1,993,496       |                   |                   |
| Insurance Intangibles                                         | Insurance Intangibles                                         | 300,147           | 168,054           |                   |                   |
| Net Operating Loss and Capital Loss Carryforwards             | Net Operating Loss and Capital Loss Carryforwards             | 69,566            | 15,857            |                   |                   |
| Insurance Investment Basis Differences, Including Derivatives | Insurance Investment Basis Differences, Including Derivatives | 1,599,012         | —                 |                   |                   |

|                              |                              |             |           |
|------------------------------|------------------------------|-------------|-----------|
| Other                        | Other                        | 31,369      | 75,000    |
| <b>Total</b>                 | <b>Total</b>                 |             |           |
| <b>Deferred Tax</b>          | <b>Deferred Tax</b>          |             |           |
| <b>Assets</b>                | <b>Assets</b>                |             |           |
| <b>before</b>                | <b>before</b>                |             |           |
| <b>Valuation</b>             | <b>Valuation</b>             |             |           |
| <b>Allowance</b>             | <b>Allowance</b>             | 2,923,544   | 2,252,407 |
| Valuation                    | Valuation                    |             |           |
| Allowance                    | Allowance                    | (89,250)    | —         |
| <b>Total</b>                 | <b>Total</b>                 |             |           |
| <b>Deferred Tax</b>          | <b>Deferred Tax</b>          |             |           |
| <b>Assets</b>                | <b>Assets</b>                | 2,834,294   | 2,252,407 |
| <b>Deferred Tax</b>          | <b>Deferred Tax</b>          |             |           |
| <b>Liabilities</b>           | <b>Liabilities</b>           |             |           |
| Insurance                    | Insurance                    |             |           |
| Loss Reserve                 | Loss Reserve                 |             |           |
| Adjustment                   | Adjustment                   | 83,894      | 111,910   |
| Insurance Investment         | Insurance Investment         |             |           |
| Basis Differences, Including | Basis Differences, Including |             |           |
| Derivatives                  | Derivatives                  | —           | 1,384,621 |
| Insurance Loss Reserve       | Insurance Loss Reserve       |             |           |
| Adjustment                   | Adjustment                   |             |           |
| Insurance Loss Reserve       | Insurance Loss Reserve       |             |           |
| Adjustment                   | Adjustment                   |             |           |
| Other                        | Other                        |             |           |
| Other                        | Other                        |             |           |
| Other                        | Other                        | 23,209      | —         |
| <b>Total</b>                 | <b>Total</b>                 |             |           |
| <b>Deferred Tax</b>          | <b>Deferred Tax</b>          |             |           |
| <b>Liabilities</b>           | <b>Liabilities</b>           | 107,103     | 1,496,531 |
| <b>Total</b>                 | <b>Total</b>                 |             |           |
| <b>Deferred</b>              | <b>Deferred</b>              |             |           |
| <b>Taxes, Net</b>            | <b>Taxes, Net</b>            | \$2,727,191 | \$755,876 |

Management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets.

## Notes to Financial Statements (Continued)

In 2022, changes in market conditions, including rapidly rising interest rates, impacted the unrealized tax gains and losses in the available for sale securities portfolios of Global Atlantic, resulting in deferred tax assets related to net unrealized tax capital losses for which the carryforward period has not yet begun. As such, when assessing recoverability, Global Atlantic considered our ability and intent to hold the underlying securities to recovery. Based on all available evidence, Global Atlantic concluded that a valuation allowance should be established on a portion of the deferred tax assets related to unrealized tax capital losses that are not more-likely-than-not to be realized, which represents the portion of the portfolio Global Atlantic estimates it would not be able to hold to recovery. For the year ended **December 31, 2022** **December 31, 2023**, Global Atlantic **established** **maintained** \$89.3 million of valuation allowance associated with the unrealized tax capital losses in the available for sale securities portfolio. The valuation allowance establishment was allocated to other comprehensive income. Based on available evidence and various assumptions as to the timing of income, KKR believes it is likely that all other deferred tax assets will be realized.

As of **December 31, 2022** **December 31, 2023**, the Global Atlantic (Fin) Company ("GA FinCo") consolidated group has a U.S. federal **NOL** net operating loss ("NOL") carryforward of **\$152.6** **\$274** million; \$56 million **that** will begin to expire in **2034**. **In addition, Global Atlantic 2034 and the remainder has an indefinite life.** The GA FinCo consolidated group also has capital loss carryforwards of **\$176.5** **\$143** million which will begin to expire in **2025**. **2027**. **In addition, Global Atlantic Re had a federal NOL of \$3.5 billion, all of which has an indefinite life.**

As of **December 31, 2022** **December 31, 2023**, KKR has accumulated undistributed earnings generated by certain foreign subsidiaries for which we **intend to indefinitely reinvest** **and** have not recorded any deferred taxes with respect to outside U.S. federal income tax basis difference on these **subsidiaries**, **subsidiaries** because of our ability and intent to **reinvest such earnings indefinitely unless they can be distributed tax free**. KKR will continue to evaluate its capital management plans. **It is not practicable for us to determine the amount of unrecognized deferred income tax liability due to the complexity associated with the hypothetical calculation.**

As a result of the Reorganization Mergers (see Note 1 "Organization") **in our financial statements**, KKR recorded additional deferred tax liabilities of \$1,095 million with a corresponding decrease to Additional Paid-In Capital during the twelve months ended December 31, 2022.

On August 16, 2022, the Inflation Reduction Act (the "IRA") was signed into law. In general, the provisions of the IRA will be effective beginning with the fiscal year 2023, with certain exceptions. The IRA includes enacted a new 15% corporate minimum tax as well as ("CAMT") on the "adjusted financial statement income" of certain large corporations, which became effective on January 1, 2023. In addition, the IRA enacted a 1% excise tax on corporate stock repurchases completed after December 31, 2022. As required under While KKR expects to have a corporate alternative minimum tax ("CAMT") liability for the authoritative guidance of ASC 740, Income Taxes, we reviewed the year ending December 31, 2023, there is no material impact on its provision for income taxes due given that any current year payments made under CAMT would be permitted to the change be carried forward and used as credits in legislation and concluded there was no impact to the financial statements as of December 31, 2022. future years, resulting in a deferred tax benefit. KKR is in the process of evaluating the potential future impacts of the IRA, and the Company will continue to review and monitor the issuance of additional guidance from the Treasury, U.S. Treasury and the IRS.

#### Tax Contingencies

KKR files its tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, KKR is subject to examination by U.S. federal and certain state, local and foreign tax regulators. As of December 31, 2022 December 31, 2023, tax returns of KKR and its predecessor entities are no longer subject to examinations for years before 2016 2017 for U.S. federal tax returns and 2011 2012 for state and local tax returns under general statute of limitations provisions.

At December 31, 2022 December 31, 2023, 2021 2022 and 2020, 2021, KKR's unrecognized tax benefits relating to uncertain tax positions, excluding related interest and penalties, consisted of the following:

|               |               | For the Years Ended<br>December 31, |          |          |                                  |      |      |
|---------------|---------------|-------------------------------------|----------|----------|----------------------------------|------|------|
|               |               | 2022                                | 2021     | 2020     |                                  |      |      |
|               |               | For the Years Ended December 31,    |          |          | For the Years Ended December 31, |      |      |
|               |               | 2023                                |          |          | 2023                             | 2022 | 2021 |
| Unrecognized  | Unrecognized  | \$59,633                            | \$60,712 | \$53,372 |                                  |      |      |
| Tax Benefits, | Tax Benefits, |                                     |          |          |                                  |      |      |
| beginning of  | beginning of  |                                     |          |          |                                  |      |      |
| period        | period        |                                     |          |          |                                  |      |      |
| Gross         | Gross         |                                     |          |          |                                  |      |      |
| increases in  | increases in  |                                     |          |          |                                  |      |      |
| tax positions | tax positions |                                     |          |          |                                  |      |      |
| in prior      | in prior      |                                     |          |          |                                  |      |      |
| periods       | periods       | 5,169                               | —        | —        |                                  |      |      |
| Gross         | Gross         |                                     |          |          |                                  |      |      |
| decreases in  | decreases in  |                                     |          |          |                                  |      |      |
| tax positions | tax positions |                                     |          |          |                                  |      |      |
| in prior      | in prior      |                                     |          |          |                                  |      |      |
| periods       | periods       | (8,414)                             | (2,009)  | (125)    |                                  |      |      |
| Gross         | Gross         |                                     |          |          |                                  |      |      |
| increases in  | increases in  |                                     |          |          |                                  |      |      |
| tax positions | tax positions |                                     |          |          |                                  |      |      |
| in current    | in current    |                                     |          |          |                                  |      |      |
| period        | period        | 6,261                               | 2,671    | 7,700    |                                  |      |      |
| Lapse of      | Lapse of      |                                     |          |          |                                  |      |      |
| statute of    | statute of    |                                     |          |          |                                  |      |      |
| limitations   | limitations   | (551)                               | (1,741)  | (235)    |                                  |      |      |
| Settlements   | Settlements   | (21,090)                            | —        | —        |                                  |      |      |
| with taxing   | with taxing   |                                     |          |          |                                  |      |      |
| authorities   | authorities   |                                     |          |          |                                  |      |      |
| Unrecognized  | Unrecognized  | \$41,008                            | \$59,633 | \$60,712 |                                  |      |      |
| Tax Benefits, | Tax Benefits, |                                     |          |          |                                  |      |      |
| end of period | end of period |                                     |          |          |                                  |      |      |

If the above tax benefits were recognized, the effective income tax rate would be reduced. KKR believes that there could be a decrease to the tax positions up to \$13 \$0.3 million within 12 months of the reporting date but the impact of such decrease to the effective tax rate would not be significant.

#### Notes to Financial Statements (Continued)

KKR recognizes interest and penalties accrued related to unrecognized tax benefits as income tax expense. Related to the unrecognized tax benefits, KKR had a net decrease of accrued penalties of \$1.3 million and interest of \$6.7 million during 2023 and in total, as of December 31, 2023, recognized a liability for penalties of \$2.0 million and interest of \$5.1 million. During 2022, penalties of \$2.0 million and interest of \$2.0 million during 2022 were accrued and in total, as of December 31, 2022, recognized a liability for penalties of

\$3.2 million and interest of \$11.8 million. During 2021, penalties of \$2.6 million and interest of \$0.5 million were accrued and in total, as of December 31, 2021, recognized a liability for penalties of \$5.2 million and interest of \$13.8 million. During 2020, penalties of \$0.5 million and interest of \$3.1 million were accrued and in total, as of December 31, 2020, recognized a liability for penalties of \$2.6 million and interest of \$13.3 million.

## Notes to Financial Statements (Continued)

### 20, 19. EQUITY BASED COMPENSATION

|                                                 |                                                 | For the Years Ended December 31, |                   |                   |
|-------------------------------------------------|-------------------------------------------------|----------------------------------|-------------------|-------------------|
|                                                 |                                                 | For the Years Ended December 31, |                   |                   |
|                                                 |                                                 | For the Years Ended December 31, |                   |                   |
|                                                 |                                                 | For the Years Ended December 31, |                   |                   |
|                                                 |                                                 | 2022                             | 2021              | 2020              |
| KKR Equity Incentive Plan Awards <sup>(1)</sup> | KKR Equity Incentive Plan Awards <sup>(1)</sup> | \$ 458,659                       | \$ 272,994        | \$ 246,395        |
| KKR Equity Incentive Plan Awards <sup>(1)</sup> |                                                 |                                  |                   |                   |
| KKR Equity Incentive Plan Awards <sup>(1)</sup> |                                                 |                                  |                   |                   |
| KKR Holdings Awards <sup>(2)</sup>              | KKR Holdings Awards <sup>(2)</sup>              | 119,834                          | 160,722           | 80,007            |
| KKR Holdings Awards <sup>(2)</sup>              |                                                 |                                  |                   |                   |
| KKR Holdings Awards <sup>(2)</sup>              |                                                 |                                  |                   |                   |
| <b>Total</b>                                    | <b>Total</b>                                    | <b>\$ 578,493</b>                | <b>\$ 433,716</b> | <b>\$ 326,402</b> |
| <b>Total</b>                                    |                                                 |                                  |                   |                   |
| <b>Total</b>                                    |                                                 |                                  |                   |                   |

(1) Includes \$9.0 million For the years ended December 31, 2023, 2022 and \$11.7 million of 2021, KKR recorded equity based compensation related to our insurance business for the years ended December 31, 2022 of \$15.4 million, \$9.0 million, and 2021, \$11.7 million respectively.

(2) Represents equity-based compensation expense in connection with the allocation of units of KKR Holdings, which were not dilutive to common stockholders of KKR & Co. Inc.

### Asset Management

#### KKR Equity Incentive Plan Awards

Under KKR's Equity Incentive Plans, KKR is permitted to grant equity awards representing ownership interests in KKR & Co. Inc. common stock. On March 29, 2019, the 2019 Equity Incentive Plan became effective. Following the effectiveness of the 2019 Equity Incentive Plan, KKR no longer makes further grants under the 2010 Equity Incentive Plan, and the 2019 Equity Incentive Plan became KKR's only plan for providing new equity-based awards by KKR & Co. Inc. Outstanding awards under the 2010 Equity Incentive Plan will remain outstanding, unchanged and subject to the terms of the 2010 Equity Incentive Plan and their respective equity award agreements, until the vesting, expiration or lapse of such awards in accordance with their terms. The total number of equity awards representing shares of common stock that may be issued under the 2019 Equity Incentive Plan is equivalent to 15% of the aggregate number of the shares of common stock and KKR Group Partnership Units (excluding KKR Group Partnership Units held by KKR & Co. Inc. or its wholly-owned subsidiaries), subject to annual adjustment. As of December 31, 2022 December 31, 2023, 65,305,996 46,426,437 shares may be issued under the 2019 Equity Incentive Plan. Equity awards granted pursuant to the Equity Plans generally consist of (i) restricted stock units that convert into shares of common stock of KKR & Co. Inc. (or cash equivalent) upon vesting and (ii) restricted holdings units that are exchangeable into shares of common stock of KKR & Co. Inc. upon vesting and certain other conditions.

#### Service-Vesting Awards

Under the Equity Incentive Plans, KKR grants restricted stock units and restricted holdings units that are subject to service-based vesting, typically over a three to five-year period from the date of grant (referred to hereafter as "Service-Vesting Awards"). In certain cases, these Service-Vesting Awards may have a percentage of the award that vests immediately upon grant. grant, and certain Service-Vesting Awards may have vesting periods longer than five years. Additionally, some but not all Service-Vesting Awards are subject to transfer restrictions and/or minimum retained ownership requirements. The Generally, the transfer restriction period, if applicable, lasts for (i) one year with respect to one-half of the interests vesting on any vesting date and (ii) two years with respect to the other one-half of the interests vesting on such vesting date. While providing services to KKR, some but not all of these awards are also subject to minimum retained ownership rules requiring the award recipient to continuously hold shares of common stock equivalents equal to at least 15% of their cumulatively vested awards that have or had the minimum retained ownership requirement. Holders of the Service-Vesting Awards do not participate in dividends until such awards have met their vesting requirements.

Expense associated with the vesting of these Service-Vesting Awards is based on the closing price of KKR & Co. Inc. common stock on the date of grant, discounted for the lack of participation rights in the expected dividends on unvested equity awards. Expense is recognized on a straight line basis over the life of the award and assumes a forfeiture rate of up to 7% annually based upon expected turnover by class of recipient.

As of December 31, 2022 December 31, 2023, there was approximately \$550.6 million \$933.9 million of total estimated unrecognized expense related to unvested Service-Vesting Awards, which is expected to be recognized over the weighted average remaining requisite service period of 1.7 2.8 years.

## Notes to Financial Statements (Continued)

A summary of the status of unvested Service-Vesting Awards granted under the Equity Incentive Plans from January 1, 2022 January 1, 2023 through December 31, 2022 December 31, 2023 is presented below:

|                                  |             | Shares      | Weighted<br>Average Grant<br>Date Fair Value | Shares <sup>(1)</sup> | Weighted<br>Average Grant<br>Date Fair Value |
|----------------------------------|-------------|-------------|----------------------------------------------|-----------------------|----------------------------------------------|
| Balance, January 1, 2022         |             | 19,307,041  | \$ 41.21                                     |                       |                                              |
| Balance,<br>January 1,<br>2023   |             |             |                                              |                       |                                              |
| Granted                          | Granted     | 3,456,984   | 50.47                                        |                       |                                              |
| Vested                           | Vested      | (6,067,099) | 33.61                                        |                       |                                              |
| Forfeitures                      | Forfeitures | (526,862)   | 47.92                                        |                       |                                              |
| Balance, December 31,<br>2022    |             | 16,170,064  | \$ 45.82                                     |                       |                                              |
| Balance,<br>December<br>31, 2023 |             |             |                                              |                       |                                              |

(1) Unvested Service-Vesting Awards include restricted stock units granted to Global Atlantic employees.

### Market Condition Awards

Under the Equity Incentive Plans, KKR also grants restricted stock units and restricted holdings units that are subject to both a service-based vesting condition and a market price based vesting condition (referred to hereafter as "Market Condition Awards") for certain employees. The following is a discussion of Market Condition Awards, excluding the Co-CEO Awards (as defined below), except where discussed below.

The number of Market Condition Awards (other than the Co-CEO awards) that will vest depend upon (i) the market price of KKR common stock reaching certain price targets that range from \$45.00 to \$140.00 and (ii) the employee being employed by KKR on a certain date, which typically is ranges from five and a half to six years from the date of grant (with exceptions for involuntary termination without cause, death and permanent disability). The market price vesting condition is met when the average closing price of KKR common stock during 20 consecutive trading days meets or exceeds the stock price targets. Holders of the Market Condition Awards do not participate in dividends until such awards have met both their service-based and market price based vesting requirements. Additionally, these awards are subject to additional transfer restrictions and minimum retained ownership requirements after vesting.

Due to the existence of the service requirement, the vesting period for these Market Condition Awards (other than the Co-CEO awards) is explicit, and as such, compensation expense will be recognized on (i) a straight-line basis over the period from the date of grant through the date the award recipient is required to be employed by KKR and (ii) assumes a forfeiture rate of up to 7% annually based upon expected turnover. The fair value of the awards granted are based on a Monte Carlo simulation valuation model. In addition, the grant date fair value assumes that holders of the Market Condition Awards will not participate in dividends until such awards have met all of their vesting requirements.

Below is a summary of the grant date fair value based on the Monte Carlo simulation valuation model and the significant assumptions used to estimate the grant date fair value of these Market Condition Awards:

|                                              | Weighted<br>Average | Range                     |
|----------------------------------------------|---------------------|---------------------------|
| Grant Date Fair Value                        | \$25.29 29.11       | \$19.87 - \$66.80         |
| Closing KKR share price as of valuation date | \$43.89 49.96       | \$37.93 - \$76.31 \$82.85 |
| Risk Free Rate                               | 1.14% 2.11%         | 0.41% - 3.86% 4.41%       |
| Volatility                                   | 30.07% 30.05%       | 28.00% - 38.00%           |
| Dividend Yield                               | 1.39% 1.29%         | 0.76% - 1.53%             |
| Expected Cost of Equity                      | 10.83% 10.75%       | 9.13% - 11.80%            |

As of December 31, 2022 December 31, 2023, there was approximately \$417.5 million \$650.0 million of total estimated unrecognized expense related to these unvested Market Condition Awards, which is expected to be recognized over the weighted average remaining requisite service period of 3.6 years.

## Notes to Financial Statements (Continued)

A summary of the status of unvested Market Condition Awards granted under the Equity Incentive Plans from **January 1, 2022** **January 1, 2023** through **December 31, 2022** **December 31, 2023** is presented below:

|                                  | Weighted<br>Average Grant<br>Date Fair Value |           |              |        | Weighted<br>Average Grant<br>Date Fair Value |
|----------------------------------|----------------------------------------------|-----------|--------------|--------|----------------------------------------------|
|                                  | Shares                                       | Date      | Fair Value   | Shares |                                              |
| Balance, January 1, 2022         | 21,370,847                                   | \$        | 25.03        |        |                                              |
| Balance,<br>January 1,<br>2023   |                                              |           |              |        |                                              |
| Granted                          | Granted                                      | 5,816,242 | 26.28        |        |                                              |
| Vested                           | Vested                                       | (325,000) | 26.44        |        |                                              |
| Forfeitures                      | Forfeitures                                  | (663,558) | 24.35        |        |                                              |
| Balance, December 31,<br>2022    | <u>26,198,531</u>                            | <u>\$</u> | <u>25.30</u> |        |                                              |
| Balance,<br>December<br>31, 2023 |                                              |           |              |        |                                              |

As of **December 31, 2022** **December 31, 2023**, **19.2 million** **18.4 million** of these Market Condition awards have met their market price based vesting condition.

#### Co-CEO Awards

On December 9, 2021, the Board of Directors approved grants of 7.5 million restricted holdings units to each of KKR's Co-Chief Executive Officers that are subject to both a service-based vesting condition and a market price based vesting condition (referred to hereafter as "Co-CEOs Awards"). For both Co-Chief Executive Officers, 20% of the Co-CEOs Awards are eligible to vest at each of the following KKR common stock prices targets: \$95.80, \$105.80, \$115.80, \$125.80 and \$135.80. The market price based vesting condition is met when the average closing price of KKR common stock during 20 consecutive trading days meets or exceeds the stock price targets. In addition to the market price based vesting conditions, in order for the award to vest, the Co-Chief Executive Officer is required to be employed by KKR on December 31, 2026 (with exceptions for involuntary termination without cause, death and permanent disability).

These awards will be automatically canceled and forfeited upon the earlier of a Co-Chief Executive Officer's termination of service (except for involuntary termination without cause, death or permanent disability) or the failure to meet the market price based vesting condition by December 31, 2028 (for which continued service is required if the market price vesting condition is met after December 31, 2026). Co-CEO Awards do not participate in dividends until such awards have met both their service-based and market price based vesting requirements. Additionally, these awards are subject to additional transfer restrictions and minimum retained ownership requirements after vesting.

Due to the existence of the service requirement, the vesting period for these Co-CEO Awards is explicit, and as such, compensation expense will be recognized on a straight-line basis over the period from the date of grant through December 31, 2026 given the derived service period is less than the explicit service period. The fair value of the awards granted are based on a Monte Carlo simulation valuation model. In addition, the grant date fair value assumes that these Co-CEO Awards will not participate in dividends until such awards have met all of their vesting requirements.

Below is a summary of the grant date fair value based on the Monte Carlo simulation valuation model and the significant assumptions used to estimate the grant date fair value of these Co-CEO Awards:

|                                              |         |
|----------------------------------------------|---------|
| Grant Date Fair Value                        | \$48.91 |
| Closing KKR share price as of valuation date | \$75.76 |
| Risk Free Rate                               | 1.42 %  |
| Volatility                                   | 28.0 %  |
| Dividend Yield                               | 0.77 %  |
| Expected Cost of Equity                      | 9.36 %  |

As of **December 31, 2022** **December 31, 2023**, there was approximately **\$580.0** **\$435.1** million of total estimated unrecognized expense related to these unvested Co-CEO Awards, which is expected to be recognized ratably from **January 1, 2023** **January 1, 2024** to December 31, 2026. As of **December 31, 2022** **December 31, 2023**, none of these Co-CEO awards have met their market price based vesting condition.

#### Notes to Financial Statements (Continued)

#### KKR Holdings Awards

On October 8, 2021, as part of the transactions contemplated by the Reorganization Mergers, of the 3.3 million outstanding KKR Holdings Units that remained unallocated, KKR Holdings allocated 1,150,000 KKR Holdings Units to each of KKR's Co-CEOs, of which 70% vested immediately, on October 8, 2021, and the remaining 30% were subject to forfeiture if such Co-CEO was not employed by KKR on October 1, 2022 (except in the case of death or permanent disability). These KKR Holdings Units were subject to customary one- and two-year transfer restrictions that will apply, as applicable, until October 1, 2023 and October 1, 2024.

In advance of the closing of the Reorganization Mergers, the vesting of KKR Holdings Units held by Messrs. Kravis, Roberts, Bae and Nuttall was accelerated, and the forfeiture and transfer restrictions applicable to certain KKR Holdings Units were transferred to the common stock received as contemplated by the Reorganization Agreement. In addition, on May 27, 2022, KKR Holdings allocated 535,185 units of KKR Holdings to Mr. Kravis and 535,184 units of KKR Holdings to Mr. Roberts' trust with no vesting conditions. Please refer to Note 1 "Organization" for further information on the Reorganization Mergers pursuant to which, among other things, KKR acquired KKR Holdings, and all outstanding KKR Holdings Units were exchanged for KKR & Co. Inc. common stock.

Prior to the Reorganization Mergers, KKR Holdings awards gave rise to equity-based compensation in the consolidated statements of operations based on the grant-date fair value of the award discounted for the lack of participation rights in the expected distributions on unvested units. This discount is consistent with that noted above for shares issued under the Equity Incentive Plans. Expense was recognized on a straight line basis over the life of the award and assumed a forfeiture rate of up to 7% annually based on expected turnover by class of recipient.

#### Insurance

Global Atlantic recognized \$77.8 million, \$72.0 million and \$63.9 million for the years ended December 31, 2023, 2022 and 2021, respectively, of expense related to equity-based compensation and long-term incentive awards for the years ended December 31, 2022 and 2021, respectively.

The income tax benefit recognized by Global Atlantic with respect to the equity-based compensation and long-term incentive plans for the years ended December 31, 2022, 2023, 2022 and 2021 was \$11.5 million, \$17.8 million, \$11.5 million and \$11.0 million, respectively, and was recognized as income tax benefit in the consolidated statements of operations.

No equity-based compensation costs were capitalized during the years ended December 31, 2022, 2023, 2022 and 2021.

#### Equity Classified Awards - KKR Equity Incentive Plan Awards

On February 1, 2021, in connection with the 2021 GA Acquisition, employees of Global Atlantic were awarded a one-time grant of restricted stock units under the 2019 Equity Incentive Plan. These awards (i) are subject to service-based vesting conditions, and (ii) expense associated with the vesting of these awards is based on the closing price of KKR & Co. Inc. common stock on the date of grant, consistent with other awards granted under the 2019 Equity Incentive Plan as described above.

On July 1, 2021, a grant of a Market Condition Award was made under the 2019 Equity Incentive Plan. This award is subject to meeting certain market price based vesting conditions of KKR common stock but has no service vesting condition. Expense associated with the grant date fair value of this award of \$10.5 million was fully recognized in the three months ended September 30, 2021.

Global Atlantic recognized \$15.4 million, \$9.0 million and \$11.7 million for the years ended December 31, 2023, 2022 and 2021, respectively, of total equity-based compensation expense for the years ended December 31, 2022 and 2021 associated with these awards, respectively.

#### Liability Classified Awards - Book Value Awards

On February 1, 2021, Global Atlantic adopted the Global Atlantic Financial Company Book Value Award Plan ("GA Book Value Plan") to enhance the ability of Global Atlantic to attract, motivate and retain its employees and to promote the success of the Global Atlantic business.

The GA Book Value Plan authorizes the grant of cash-settled awards ("book value awards," or "BVAs") representing the right to receive one or more payments upon vesting equal to the product of an initial dollar value set by the award multiplied by a pre-determined formula as of each applicable vesting date. The predetermined formula is equal to the quotient determined by dividing the book value of one share of TGAFG on the applicable vesting date by the book value of a share on the original grant date, subject to adjustments. Book value awards generally vest in three equal, annual installments, subject to continued employment.

### Notes to Financial Statements (Continued)

On February 1, 2021, under the terms of the GA Merger Agreement and in accordance with applicable plan documentation, former Global Atlantic restricted share awards that were unvested immediately prior to the closing of the 2021 GA Acquisition converted into the right to receive a number of book value awards under the GA Book Value Plan having the same value and the same vesting schedule as the former Global Atlantic restricted share awards immediately prior to the closing of the 2021 GA Acquisition.

An aggregate of 3,020,017 unvested former Global Atlantic restricted share awards having a fair value of \$29.47 per share were converted to book value awards at an aggregate grant-date value of \$89.0 million. On February 28, 2021, book value awards having an aggregate value of approximately \$28.0 million vested as set forth in the former Global Atlantic grant agreements and resulted in a cash payment of \$17.0 million to participants, net of applicable tax withholding.

Also in connection with the 2021 GA Acquisition, on February 1, 2021, Global Atlantic employees were issued a one-time grant of book value awards having an aggregate initial value of \$23.0 million. These one-time book value awards vest over five (5) years, with the first 25% vesting on April 1, 2023 and the remainder vesting 25% annually on April 1 each subsequent year until fully vested, subject to continued employment. Global Atlantic is recording compensation expense over the vesting schedule of the awards, net of an estimated forfeiture rate of 4%.

On March 1, 2021, pursuant to the GA Book Value Plan, book value awards having an aggregate initial value of approximately \$32 million were granted. Such book value awards generally vest annually over three years in equal increments, subject to continued employment. Global Atlantic is recording compensation expense over the vesting schedule of the awards, net of an estimated forfeiture rate of 4%.

### Notes to Financial Statements (Continued)

Global Atlantic began recognizing long-term incentive expense for the book value awards described above at the grant dates, based on their initial value, net of a 4% estimated forfeiture rate. Global Atlantic adjusts expense periodically for changes in book value until the awards are settled or forfeited. Expense recognized on forfeited awards is reversed in



the period of forfeiture.

On April 1, 2023, BVAs having an aggregate value of approximately \$35 million vested as set forth under the terms of the Book Value Plan agreements and resulted in a cash payment on April 3, 2023 of an aggregate \$21 million to unit holders, net of applicable tax withholdings.

On February 28, 2023, BVAs having an aggregate value of approximately \$24 million vested as set forth under the pre-acquisition grant agreements and resulted in a cash payment of an aggregate \$14 million to participants, net of applicable tax withholdings.

The table below presents the activity related to book value awards for the years year ended December 31, 2022 and 2021: December 31, 2023:

|                                                                           | Years Ended       |                   |
|---------------------------------------------------------------------------|-------------------|-------------------|
|                                                                           | December 31, 2022 | December 31, 2021 |
| Outstanding amount as of beginning of period                              | \$ 145,000        | \$ —              |
| Pre-acquisition awards converted to book-value awards on February 1, 2021 | —                 | 89,000            |
| Granted                                                                   | 48,700            | 88,195            |
| Forfeited                                                                 | (5,527)           | (7,677)           |
| Impact of change in book value on outstanding awards                      | —                 | 6,597             |
| Vested and issued                                                         | (49,577)          | (31,115)          |
| <b>Outstanding amount as of end of period</b>                             | <b>\$ 138,596</b> | <b>\$ 145,000</b> |

|                                                      | Year Ended        |                |
|------------------------------------------------------|-------------------|----------------|
|                                                      | December 31, 2023 |                |
| Outstanding amount as of beginning of period         | \$                | 138,595        |
| Granted                                              |                   | 35,766         |
| Forfeited                                            |                   | (3,486)        |
| Impact of change in book value on outstanding awards |                   | 4,971          |
| Vested and cash-settled                              |                   | (64,253)       |
| <b>Outstanding amount as of end of period</b>        | <b>\$</b>         | <b>111,593</b> |

Global Atlantic recognized \$62.3 million, \$63.0 million and \$52.2 million of compensation expense \$52.2 million for the years ended December 31, 2022 December 31, 2023, 2022 and 2021, respectively, of compensation expense associated with these awards, respectively, awards. As of December 31, 2022 and December 31, 2021 December 31, 2023, the remaining unamortized compensation expenses of \$98.1 million and \$99.6 million \$72.1 million are expected to be recognized over a remaining average period of 2.45 years and 2.67 years, respectively. 1.98 years.

#### GA Equity Incentive Plan Awards

On June 24, 2021, Global Atlantic issued 1,000 non-voting incentive shares to a Bermuda exempted partnership owned by certain Global Atlantic employees, who are eligible to receive incentive units under Global Atlantic's Senior Management Equity Incentive Plan ("GA Equity Incentive Plan"). These incentive units represent an interest in the receipt of certain amounts based on Global Atlantic's book value, market value, and AUM, in each case as derived in part from the value of TGAFG's fully-diluted equity shares.

On June 24, 2021, Global Atlantic granted approximately 808 incentive units under the GA Equity Incentive Plan. The book value component of the incentive units vests 20% per year on the anniversary of the 2021 GA Acquisition Date, as long as the grantee remains then employed, and will be settled in cash. The market value and AUM components of the incentive units cliff vest upon the earlier to occur of (i) the fifth anniversary of the 2021 GA Acquisition Date, or (ii) a change of control, and will be settled in a variable number of TGAFG's non-voting common shares. TGAFG shares issued under the AUM component of the Plan are exchangeable for shares of KKR. Except in the event of termination due to death or disability, generally, unvested market value and AUM amounts are forfeited upon a termination of employment.

#### Notes to Financial Statements (Continued)

The GA Equity Incentive Plan is accounted for as a hybrid compensation plan, consisting of one component most closely aligned with a profit-sharing plan under ASC 710, Compensation - General, as well as other components within scope of ASC 718, Compensation - Stock Compensation, in all cases with obligations liability-classified. Accordingly, with regard to awards within scope of ASC 710, Global Atlantic records expense based on payouts deemed to be probable and reasonably estimable based on the book value growth of Global Atlantic at the grant date and at each reporting period. For award components subject to liability-classification under ASC 718, Global Atlantic records expense, net of a 0% estimated forfeiture rate, based on the fair value of awards granted, with periodic adjustments to expense for changes in fair value, over the requisite 5-year service period.

The aggregate value of the GA Equity Incentive Plan awards at the initial date of grant was \$197.0 million, based on the intrinsic value of the book value component (\$5.0 million), as determined by applying the book value profit share percentage rate to Global Atlantic's net book value growth at the date of grant, (\$5.0 million) and the fair value of the market value and AUM components at the date of grant (\$192.0 million, collectively), based on the projected growth in value of each component over the 5-year vesting schedule and applying a forfeiture rate of 0%. Expense is remeasured accordingly at each reporting period and adjusted as needed until the awards are forfeited or settled.

#### Notes to Financial Statements (Continued)



During the years year ended December 31, 2022 and 2021, 27 and 841 December 31, 2023, 273 incentive units were granted to employees and 13 and 10 118 incentive units were forfeited, respectively, forfeited. As of December 31, 2022 December 31, 2023 and 2021, 2022, there were approximately 845 1,000 and 831 845 incentive units outstanding under the Plan, respectively.

Global Atlantic recorded compensation expense of \$89.1 \$37.6 million, \$89.1 million and \$43.3 million for the years ended December 31, 2022 December 31, 2023, 2022 and 2021, related to respectively, for the GA Units granted under the GA Equity Incentive Plan, with a corresponding offset to other liabilities, respectively, liabilities. As of December 31, 2022 and 2021, December 31, 2023, there was approximately \$118.3 million and \$104.1 \$48.6 million of unrecognized expense related to the GA Units granted under the GA Equity Incentive Plan with a weighted average service period remaining of 3.09 years and 4.09 years, respectively, 2.09 years.

## Notes to Financial Statements (Continued)

### 21. 20. RELATED PARTY TRANSACTIONS

Due from Affiliates consists of:

|                                                  |                                                  | December<br>31, 2022 | December<br>31, 2021 | December 31, 2023 | December 31, 2022 |
|--------------------------------------------------|--------------------------------------------------|----------------------|----------------------|-------------------|-------------------|
| Amounts due from unconsolidated investment funds | Amounts due from unconsolidated investment funds | \$1,401,766          | \$1,109,769          |                   |                   |
| Amounts due from portfolio companies             | Amounts due from portfolio companies             | 261,537              | 114,514              |                   |                   |
| <b>Due from Affiliates</b>                       | <b>Due from Affiliates</b>                       | <b>\$1,663,303</b>   | <b>\$1,224,283</b>   |                   |                   |
| <b>Due from Affiliates</b>                       |                                                  |                      |                      |                   |                   |
| <b>Due from Affiliates</b>                       |                                                  |                      |                      |                   |                   |
| <b>Due to Affiliates consists of:</b>            |                                                  |                      |                      |                   |                   |

|                                                                                    |                                                                                    | December 31, 2022 | December 31, 2021 |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------|-------------------|
| Amounts due to current and former employees under the tax receivable agreement (1) | Amounts due to current and former employees under the tax receivable agreement (1) | \$ 420,599        | \$ 399,163        |
| Amounts due to current and former employees under the tax receivable agreement (1) |                                                                                    |                   |                   |
| Amounts due to current and former employees under the tax receivable agreement (1) |                                                                                    |                   |                   |
| Amounts due to unconsolidated investment funds                                     |                                                                                    |                   |                   |
| Amounts due to unconsolidated investment funds                                     |                                                                                    |                   |                   |
| Amounts due to unconsolidated investment funds                                     | Amounts due to unconsolidated investment funds                                     | 45,458            | 63,559            |
| <b>Due to Affiliates</b>                                                           | <b>Due to Affiliates</b>                                                           | <b>\$ 466,057</b> | <b>\$ 462,722</b> |
| <b>Due to Affiliates</b>                                                           |                                                                                    |                   |                   |
| <b>Due to Affiliates</b>                                                           |                                                                                    |                   |                   |

(1) See Note 1 "Organization." "Organization" in our financial statements.

### Tax Receivable Agreement

KKR Group Co. Inc. (formerly KKR & Co. Inc.) and KKR Holdings were parties to a tax receivable agreement, which required KKR to pay to KKR Holdings or to its limited partners a portion of any cash tax savings realized by KKR resulting from their exchange of KKR Group Partnership Units for shares of common stock. In connection with the Reorganization Mergers, KKR Holdings and KKR terminated the tax receivable agreement on May 30, 2022; provided that, notwithstanding such termination of the tax receivable agreement, all obligations of KKR to make payments arising under the tax receivable agreement with respect to any exchanges completed prior to May 30, 2022 remain outstanding until fully paid.

Prior to the Reorganization Mergers, KKR was required to acquire KKR Group Partnership Units from time to time pursuant to the exchange agreement with KKR Holdings. The KKR Group Partnership made an election under Section 754 of the Code that was effective for each taxable year in which an exchange of KKR Group Partnership Units for shares of common stock occurred, which may have resulted in an increase in KKR's tax basis of the assets of KKR Group Partnership at the time of an exchange of KKR Group Partnership Units. Certain of these exchanges were expected to result in an increase in KKR's share of the tax basis of the tangible and intangible assets of the KKR Group Partnership, primarily attributable to a portion of the goodwill inherent in KKR's business that would not otherwise have been available. This increase in tax basis may have increased depreciation and amortization deductions for tax purposes and therefore reduced the amount of income tax KKR otherwise would be required to pay. This increase in tax basis may have also decreased gain (or **increase increased** loss) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets.

The tax receivable agreement required KKR to pay to KKR Holdings, or to current and former principals who exchanged KKR Holdings Units for shares of common stock (as transferees of KKR Group Partnership Units), 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax that KKR realized as a result of the increase in tax basis described above, as well as 85% of the amount of any such savings KKR actually realized as a result of increases in tax basis that arose due to future payments under the agreement. KKR benefited from the remaining 15% of cash savings, if any, in income tax that it realized.

These payment obligations are obligations of KKR Group Co. Inc. (formerly KKR & Co. Inc.) and its wholly-owned subsidiary, KKR Group Holdings Corp., which are treated as corporations for U.S. tax purposes, but are not payment obligations of KKR & Co. Inc. or KKR Group Partnership L.P., and are recorded within Due to Affiliates in the accompanying consolidated statements of financial condition. Payments made under the tax receivable agreement are required to be made within 90 days of the filing of KKR's tax returns, which may result in a timing difference between the tax savings received by KKR and the cash payments made to the exchanging holders of KKR Group Partnership Units.

## Notes to Financial Statements (Continued)

Effective July 1, 2018, we amended the tax receivable agreement to reflect the conversion of KKR & Co. L.P. to KKR Group Co. Inc. (formerly KKR & Co. Inc.) on July 1, 2018 (the "Conversion"). The amendment also provides that, in the event the maximum U.S. federal corporate income tax rate is increased to a rate higher than 21.0% within the five-year period following the Conversion, for exchanges pursuant to the exchange agreement that take place within that five-year period (other than exchanges following the death of an individual), payments of cash tax savings realized as a result of such exchanges shall be calculated by applying a U.S. federal corporate income tax rate not to exceed 21.0%. The amendment also clarified that the tax benefit payments with respect to exchanges completed at any time prior to the Conversion will be calculated without taking into account the step-up in tax basis in our underlying assets that we generated in 2018 as a result of the Conversion.

For the years ended **December 31, 2022** **December 31, 2023**, **2021 2022** and **2020, 2021**, cash payments that have been made under the tax receivable agreement were **\$10.3** **\$16.3** million, **\$7.2** **\$10.3** million, and \$7.2 million, respectively. KKR expects to benefit from the remaining 15% of cash savings, if any, in income tax that they realize. As of **December 31, 2022** **December 31, 2023**, **\$10.7** **\$13.5** million of cumulative income tax savings have been realized.

### Discretionary Investments

Certain of KKR's current and former employees and other qualifying personnel are permitted to invest, and have invested, their own capital in KKR's funds, in side-by-side investments with these funds and the firm, as well as in funds managed by its hedge fund partnerships. Side-by-side investments are made on the same terms and conditions as those acquired by the applicable fund or the firm, except that the side-by-side investments do not subject the investor to management fees or a carried interest. The cash contributed by these individuals aggregated **\$629.0** **million**, \$714.8 million, **\$685.8** **million**, and **\$645.6** **\$685.8** million for the years ended **December 31, 2022** **December 31, 2023**, **2021 2022** and **2020, 2021**, respectively.

### Aircraft and Other Services

Certain of **the our** senior employees own aircraft that are used for KKR's business in the ordinary course of its operations. The hourly rates that KKR pays for the use of these aircraft are based on current market rates for chartering private aircraft of the same type. KKR incurred **\$3.4** **million**, \$2.9 million, **\$1.7** **million**, and \$1.7 million for the use of these aircraft for the years ended **December 31, 2022** **December 31, 2023**, **2021 2022** and **2020, 2021**, respectively, of which substantially all was paid to entities controlled by Messrs. Kravis and Roberts, and of which substantially all was borne by KKR rather than its investment funds (which indirectly bear the cost of some of these flights at commercial airline rates). For the year ended **December 31, 2022**, KKR reimbursed Mr. Bae approximately \$0.6 million for the use of private aircraft in which he has fractional share ownership arrangements. KKR's reimbursement covered certain fees and variable costs based on established rates, but did not cover any other capital costs or purchase price.

### Facilities

Messrs. Kravis and Roberts, including their estate planning trusts, whose beneficiaries include their children, and certain other senior employees who are not executive officers of KKR, are minority limited partners in a real estate partnership that owns KKR's Menlo Park location. Payments made to this partnership were **\$9.5** **million**, \$8.8 million, **\$8.6** **million**, and **\$8.4** **\$8.6** million for the years ended **December 31, 2022** **December 31, 2023**, **2021 2022** and **2020, 2021**, respectively. In November 2022, this lease was renewed for another 15-year term.

## Notes to Financial Statements (Continued)

## 22. 21. SEGMENT REPORTING

KKR operates through two reportable segments which are presented below and reflect how its chief operating decision-makers allocate resources and assess performance:

- Asset Management - the asset management business offers a broad range of investment management services to investment funds, vehicles and accounts (including Global Atlantic) and provides capital markets services to portfolio companies and third parties. This reportable segment also reflects how its business lines operate collaboratively with predominantly a single expense pool.
- Insurance - the insurance business is operated by Global Atlantic, which is a leading U.S. retirement and life insurance company that provides a broad suite of protection, legacy and savings products and reinsurance solutions to clients across individual and institutional markets. Global Atlantic primarily generates income by earning a spread

between its investment income and the cost of policyholder benefits.

KKR's segment profitability measure used to make operating decisions and assess performance across KKR's reportable segments is presented prior to giving effect to the allocation of income (loss) among KKR & Co. Inc. and holders of any exchangeable securities, and the consolidation of the investment funds, vehicles and accounts that KKR advises, manages or sponsors (including CFEs). KKR's segment profitability measure excludes: (i) equity-based compensation charges, (ii) amortization of acquired intangibles, (iii) strategic transaction-related corporate related charges and (iv) non-recurring items, if any. Strategic transaction-related corporate related items arise from corporate actions and consist primarily of (i) impairments, (ii) non-monetary gains or losses on divestitures, (iii) transaction costs from strategic acquisitions, and (iv) (iii) depreciation on real estate that KKR owns and occupies. Inter-segment transactions are not eliminated from segment results when management considers those transactions in assessing the results of the respective segments. These transactions include (i) management fees earned by KKR as the investment adviser for Global Atlantic insurance companies and (ii) interest income and expense based on lending arrangements where one or more KKR subsidiaries borrow from a Global Atlantic insurance subsidiary. Inter-segment transactions are recorded by each segment based on the definitive documents that contain arms' length terms and comply with applicable regulatory requirements. Segment operating earnings for the asset management and insurance segments is further defined as follows:

- Asset Management Segment Operating Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the Asset Management asset management segment and is comprised of: (i) Fee Related Earnings, (ii) Realized Performance Income, (iii) Realized Performance Income Compensation, (iv) Realized Investment Income, and (v) Realized Investment Income Compensation. Asset Management Segment Operating Earnings excludes the impact of: (i) unrealized carried interest, (ii) net unrealized gains (losses) on investments, (ii) unrealized carried interest, and (iii) related unrealized carried interest compensation. compensation (carry pool). Management fees earned by KKR as the adviser, manager or sponsor for its investment funds, vehicles and accounts, including its Global Atlantic insurance companies, are included in Asset Management Segment Operating Earnings.
- Insurance Segment Operating Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the Insurance segment segment. This measure is presented before income taxes and is comprised of: (i) Net Investment Income, (ii) Net Cost of Insurance, (iii) General, Administrative, and Other Expenses, (iv) Income Taxes, and (v) (iv) Net Income Attributable to Noncontrolling Interests. The non-operating adjustments made to derive Insurance Segment Operating Earnings excludes the impact of: (i) investment gains (losses) which include realized (gains) losses gains (losses) related to asset/liability matching investments strategies (ii) and unrealized investment (gains) losses, (iii) gains (losses) and (ii) non-operating changes in policy liabilities and derivatives which includes (a) changes in the fair value of derivatives, embedded derivatives, market risk benefits and other policy liabilities measured at fair value and related benefit payments, (b) fees attributed to guaranteed benefits, (c) derivatives used to manage the risks associated with policy liabilities, for fixed-indexed annuities, indexed universal life contracts and variable annuities, and (iv) the associated income tax effects of all exclusions from Insurance Segment Operating Earnings except for equity-based compensation expense. (d) losses at contract issuance on payout annuities. Insurance Segment Operating Earnings includes (i) realized gains and losses not related to asset/liability matching investments strategies and (ii) the investment management fee expenses costs that are earned by KKR as the investment adviser of the Global Atlantic insurance companies.

## Notes to Financial Statements (Continued)

### Modification of Segment Information

In connection with the adoption of LDTI (see Note 2 in our financial statements), KKR reevaluated the manner in which it makes operational and resource deployment decisions and assesses the overall performance of KKR's business. As a result, KKR has modified the presentation of its segment financial information effective as of and for the year ended December 31, 2023 with retrospective application to all prior periods presented. The most significant changes are as follows:

- implementation of the accounting changes as a result of LDTI within KKR's insurance segment. KKR excludes (i) changes in the fair value of market risk benefits and other policy liabilities and the associated derivatives, (ii) fees attributed to guaranteed benefits, and (iii) losses at contract issuance on payout annuities from the Insurance Segment Operating Earnings. These items are excluded from Insurance Segment Operating Earnings, because the chief operating decision-makers believe these items do not reflect the underlying performance of this business; and
- reporting on a pre-tax basis Insurance Segment Operating Earnings (which was previously reported on an after-tax basis).

## Notes to Financial Statements (Continued)

### Segment Presentation

The following tables set forth information regarding KKR's segment results:

|                  |                  | For the Years Ended December 31, |      |      |
|------------------|------------------|----------------------------------|------|------|
|                  |                  | 2022                             | 2021 | 2020 |
|                  |                  | For the Years Ended December 31, |      |      |
|                  |                  | For the Years Ended December 31, |      |      |
|                  |                  | For the Years Ended December 31, |      |      |
|                  |                  | 2023                             | 2023 | 2022 |
|                  |                  | 2023                             | 2022 | 2021 |
| Asset Management | Asset Management |                                  |      |      |

|                                                    |                                             |              |              |             |
|----------------------------------------------------|---------------------------------------------|--------------|--------------|-------------|
| Management Fees <sup>(1)</sup>                     |                                             |              |              |             |
| Management Fees <sup>(1)</sup>                     |                                             |              |              |             |
| Management Fees <sup>(1)</sup>                     | Management Fees <sup>(1)</sup>              | \$ 2,656,487 | \$ 2,071,440 | \$1,441,578 |
| Transaction and Monitoring Fees, Net               | Transaction and Monitoring Fees, Net        | 775,933      | 1,004,241    | 632,433     |
| Fee Related Performance Revenues                   | Fee Related Performance Revenues            | 90,665       | 45,852       | 39,555      |
| Fee Related Compensation                           | Fee Related Compensation                    | (769,735)    | (702,387)    | (486,481)   |
| Other Operating Expenses                           | Other Operating Expenses                    | (585,999)    | (449,155)    | (346,558)   |
| Fee Related Earnings                               | Fee Related Earnings                        | 2,167,351    | 1,969,991    | 1,280,527   |
| Realized Performance Income                        | Realized Performance Income                 | 2,176,658    | 2,141,596    | 1,165,699   |
| Realized Performance Income Compensation           | Realized Performance Income Compensation    | (1,333,526)  | (1,239,177)  | (697,071)   |
| Realized Investment Income <sup>(2)</sup>          | Realized Investment Income <sup>(2)</sup>   | 1,134,419    | 1,613,244    | 644,659     |
| Realized Investment Income Compensation            | Realized Investment Income Compensation     | (159,003)    | (241,994)    | (106,830)   |
| Asset Management Segment Operating Earnings        | Asset Management Segment Operating Earnings | \$ 3,985,899 | \$ 4,243,660 | \$2,286,984 |
| Insurance                                          |                                             |              |              |             |
| Insurance                                          |                                             |              |              |             |
| Insurance                                          |                                             |              |              |             |
| Net Investment Income <sup>(1) (2)</sup>           |                                             |              |              |             |
| Net Investment Income <sup>(1) (2)</sup>           |                                             |              |              |             |
| Net Investment Income <sup>(1) (2)</sup>           | Net Investment Income <sup>(1) (2)</sup>    | \$ 4,112,244 | \$ 3,329,570 | \$ —        |
| Net Cost of Insurance                              | Net Cost of Insurance                       | (2,415,996)  | (1,566,681)  | —           |
| General, Administrative and Other                  | General, Administrative and Other           | (637,718)    | (500,410)    | —           |
| Pre-tax Insurance Operating Earnings               |                                             | 1,058,530    | 1,262,479    | —           |
| Income Taxes                                       |                                             | (171,744)    | (199,095)    | —           |
| Net Income Attributable to Noncontrolling Interest |                                             | (341,582)    | (410,833)    | —           |
| Pre-tax Operating Earnings                         |                                             |              |              |             |

|                                          |                                      |              |              |              |
|------------------------------------------|--------------------------------------|--------------|--------------|--------------|
| Pre-tax Operating Earnings               |                                      |              |              |              |
| Attributable to Noncontrolling Interests |                                      |              |              |              |
| Pre-tax Operating Earnings               |                                      |              |              |              |
| Attributable to Noncontrolling Interests |                                      |              |              |              |
| Pre-tax Operating Earnings               |                                      |              |              |              |
| Attributable to Noncontrolling Interests |                                      |              |              |              |
| Insurance Segment Operating Earnings     | Insurance Segment Operating Earnings | \$ 545,204   | \$ 652,551   | \$ —         |
| Total Segment Operating Earnings         | Total Segment Operating Earnings     | \$ 4,531,103 | \$ 4,896,211 | \$ 2,286,984 |
| Total Segment Operating Earnings         |                                      |              |              |              |
| Total Segment Operating Earnings         |                                      |              |              |              |

(1) Includes intersegment management fees of \$301.3 million and \$158.7 million for the years ended December 31, 2022 and 2021, respectively.

(2) Includes intersegment interest expense and income of \$145.3 million and \$31.0 million for the years ended December 31, 2022 and 2021, respectively.

(1) Includes intersegment management fees of \$445.9 million, \$301.3 million, and \$158.7 million for the years ended December 31, 2023, 2022, and 2021, respectively.

(1) Includes intersegment management fees of \$445.9 million, \$301.3 million, and \$158.7 million for the years ended December 31, 2023, 2022, and 2021, respectively.

(1) Includes intersegment management fees of \$445.9 million, \$301.3 million, and \$158.7 million for the years ended December 31, 2023, 2022, and 2021, respectively.

(2) Includes intersegment interest expense and income of \$186.4 million, \$145.3 million, and \$31.0 million for the years ended December 31, 2023, 2022, and 2021, respectively.

(2) Includes intersegment interest expense and income of \$186.4 million, \$145.3 million, and \$31.0 million for the years ended December 31, 2023, 2022, and 2021, respectively.

|                    |      |
|--------------------|------|
| As of December 31, |      |
| 2022               | 2021 |

|                    |  |
|--------------------|--|
| As of December 31, |  |
| As of December 31, |  |
| As of December 31, |  |
| 2023               |  |
| 2023               |  |
| 2023               |  |

Segment Assets:

Segment Assets:

|                  |                                              |
|------------------|----------------------------------------------|
| Segment Assets:  | Segment Assets:                              |
| Asset Management | Asset Management \$ 30,373,666 \$ 32,306,254 |
| Insurance (1)    | 173,442,519 166,553,187                      |

Asset Management

Asset Management

Insurance

|                                                           |                                                           |                |                |            |                                                           |      |
|-----------------------------------------------------------|-----------------------------------------------------------|----------------|----------------|------------|-----------------------------------------------------------|------|
| Insurance                                                 |                                                           |                |                |            |                                                           |      |
| Insurance                                                 |                                                           |                |                |            |                                                           |      |
| Total Segment Assets                                      |                                                           |                |                |            |                                                           |      |
| Total Segment Assets                                      |                                                           |                |                |            |                                                           |      |
| Total Segment Assets                                      | Total Segment Assets                                      |                |                |            |                                                           |      |
|                                                           |                                                           | \$ 203,816,185 | \$ 198,859,441 |            |                                                           |      |
| For the Years Ended December 31,                          |                                                           |                |                |            |                                                           |      |
|                                                           | For the Years Ended December 31,                          |                |                |            |                                                           |      |
| For the Years Ended December 31,                          |                                                           |                |                |            |                                                           |      |
| For the Years Ended December 31,                          |                                                           |                |                |            |                                                           |      |
| Noncash expenses excluded from Segment Operating Earnings | Noncash expenses excluded from Segment Operating Earnings |                |                |            | Noncash expenses excluded from Segment Operating Earnings |      |
|                                                           |                                                           | 2022           | 2021           | 2020       | 2023                                                      | 2022 |
| Equity Based Compensation and Other                       | Equity Based Compensation and Other                       |                |                |            |                                                           | 2021 |
| Asset Management                                          | Asset Management                                          | \$ 449,685     | \$ 261,330     | \$ 246,395 |                                                           |      |
| Insurance                                                 |                                                           | 152,083        | 95,344         | —          |                                                           |      |
| Asset Management                                          |                                                           |                |                |            |                                                           |      |
| Asset Management                                          |                                                           |                |                |            |                                                           |      |
| Insurance (1)                                             |                                                           |                |                |            |                                                           |      |
| Total Non-cash expenses                                   | Total Non-cash expenses                                   | \$ 601,768     | \$ 356,674     | \$ 246,395 |                                                           |      |

(1) Amounts include the portion allocable to noncontrolling interests.

## Notes to Financial Statements (Continued)

### Reconciliations of Total Segment Amounts

The following tables reconcile the Segment Revenues, Segment Operating Earnings, and Segment Assets to their equivalent GAAP measure:

|  |  | For the Years Ended December 31, |  |  |  |  |  |
|--|--|----------------------------------|--|--|--|--|--|
|  |  | For the Years Ended December 31, |  |  |  |  |  |
|  |  | For the Years Ended December 31, |  |  |  |  |  |
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|-------------------------------------------------------------|-----------------------------------------------|---------------------|---------------------|--------------------|
| Capital Allocation-Based Income (Loss) (GAAP)               |                                               |                     |                     |                    |
| Capital Allocation-Based Income (Loss) (GAAP)               | Capital Allocation-Based Income (Loss) (GAAP) | 2,500,509           | (6,842,414)         | (2,224,100)        |
| Realized Carried Interest                                   | Realized Carried Interest                     | 1,993,860           | 1,752,130           | 1,042,204          |
| Realized Investment Income                                  | Realized Investment Income                    | 1,134,419           | 1,613,244           | 644,659            |
| Capstone Fees                                               | Capstone Fees                                 | (86,665)            | (91,407)            | (81,452)           |
| Expense Reimbursements                                      | Expense Reimbursements                        | (102,927)           | (178,572)           | (149,522)          |
| Insurance Adjustments:                                      | Insurance Adjustments:                        |                     |                     |                    |
| Net Premiums                                                | Net Premiums                                  | (1,182,461)         | (2,226,078)         | —                  |
| Net Premiums                                                |                                               |                     |                     |                    |
| Net Premiums                                                |                                               |                     |                     |                    |
| Policy Fees                                                 | Policy Fees                                   | (1,278,736)         | (1,147,913)         | —                  |
| Other Income                                                | Other Income                                  | (139,124)           | (120,213)           | —                  |
| Investment Gains and Losses                                 |                                               | 472,053             | 544,357             | —                  |
| Derivative Gains and Losses                                 |                                               | 1,072,572           | (141,513)           | —                  |
| <b>Total Segment Revenues</b> <sup>(1)</sup>                |                                               | <b>\$10,946,406</b> | <b>\$10,205,943</b> | <b>\$3,923,924</b> |
| (Gains) Losses from Investments <sup>(1)</sup>              |                                               |                     |                     |                    |
| Non-operating Changes in Policy Liabilities and Derivatives |                                               |                     |                     |                    |
| <b>Total Segment Revenues</b> <sup>(2)</sup>                |                                               |                     |                     |                    |

(1) Includes gains and losses on funds withheld receivables and payables embedded derivatives.

(2) Total Segment Revenues is comprised of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, (v) Realized Investment Income, and (vi) Net Investment Income.

|                                                         |                                                         | For the Years Ended December 31, |                     |                    |
|---------------------------------------------------------|---------------------------------------------------------|----------------------------------|---------------------|--------------------|
|                                                         |                                                         | For the Years Ended December 31, |                     |                    |
|                                                         |                                                         | For the Years Ended December 31, |                     |                    |
|                                                         |                                                         | 2023                             | 2022                | 2021               |
|                                                         |                                                         | For the Years Ended December 31, |                     |                    |
|                                                         |                                                         | 2022                             | 2021                | 2020               |
| <b>Income (Loss) Before Tax (GAAP)</b>                  |                                                         |                                  |                     |                    |
| <b>Income (Loss) Before Tax (GAAP)</b>                  |                                                         |                                  |                     |                    |
| <b>Income (Loss) Before Tax (GAAP)</b>                  | <b>Income (Loss) Before Tax (GAAP)</b>                  | <b>\$(1,059,200)</b>             | <b>\$13,648,449</b> | <b>\$5,726,695</b> |
| Impact of Consolidation and Other                       | Impact of Consolidation and Other                       | (84,554)                         | (5,165,795)         | (1,696,897)        |
| Interest Expense                                        | Interest Expense                                        | 315,189                          | 250,183             | 211,037            |
| Equity-based compensation - KKR Holdings <sup>(1)</sup> | Equity-based compensation - KKR Holdings <sup>(1)</sup> | 119,834                          | 161,283             | 80,739             |

| Asset Management Adjustments:                                              | Asset Management Adjustments:                         |             |             |             |
|----------------------------------------------------------------------------|-------------------------------------------------------|-------------|-------------|-------------|
| Net Unrealized (Gains) Losses                                              |                                                       | 2,002,082   | (2,590,280) | (1,697,740) |
| Unrealized (Gains) Losses                                                  |                                                       |             |             |             |
| Unrealized (Gains) Losses                                                  |                                                       |             |             |             |
| Unrealized (Gains) Losses                                                  |                                                       |             |             |             |
| Unrealized Carried Interest                                                | Unrealized Carried Interest                           | 4,231,359   | (4,043,135) | (1,070,803) |
| Unrealized Carried Interest Compensation (Carry Pool)                      | Unrealized Carried Interest Compensation (Carry Pool) | (1,753,396) | 1,751,912   | 467,485     |
| Strategic Corporate Transaction-Related Charges <sup>(2)</sup>             |                                                       | 94,629      | 25,153      | 20,073      |
| Strategic Corporate Transaction-Related Charges <sup>(2)</sup>             |                                                       |             |             |             |
| Equity-based compensation                                                  | Equity-based compensation                             | 210,756     | 183,100     | 236,199     |
| Equity-based compensation - Performance based                              | Equity-based compensation - Performance based         | 238,929     | 78,230      | 10,196      |
| Insurance Adjustments <sup>(3)</sup>                                       | Insurance Adjustments <sup>(3)</sup>                  |             |             |             |
| Net (Gains) Losses from Investments and Derivatives                        |                                                       | 192,743     | 658,975     | —           |
| Strategic Corporate Transaction-Related Charges                            |                                                       | 24,746      | 25,711      | —           |
| Equity-based and Other Compensation                                        |                                                       | 152,083     | 95,344      | —           |
| Amortization of Acquired Intangibles                                       |                                                       | 17,647      | 16,176      | —           |
| Income Taxes                                                               |                                                       | (171,744)   | (199,095)   | —           |
| (Gains) Losses from Investments <sup>(3)(4)</sup>                          |                                                       |             |             |             |
| (Gains) Losses from Investments <sup>(3)(4)</sup>                          |                                                       |             |             |             |
| (Gains) Losses from Investments <sup>(3)(4)</sup>                          |                                                       |             |             |             |
| Non-operating Changes in Policy Liabilities and Derivatives <sup>(3)</sup> |                                                       |             |             |             |
| Strategic Corporate Transaction-Related Charges <sup>(3)</sup>             |                                                       |             |             |             |
| Equity-based and Other Compensation <sup>(3)</sup>                         |                                                       |             |             |             |



|                                                           |                                                 |                     |                     |                    |
|-----------------------------------------------------------|-------------------------------------------------|---------------------|---------------------|--------------------|
| Amortization of<br>Acquired<br>Intangibles <sup>(3)</sup> |                                                 |                     |                     |                    |
| <b>Total Segment Operating<br/>Earnings</b>               |                                                 |                     |                     |                    |
| <b>Total Segment Operating<br/>Earnings</b>               |                                                 |                     |                     |                    |
| <b>Total Segment<br/>Operating<br/>Earnings</b>           | <b>Total Segment<br/>Operating<br/>Earnings</b> | <b>\$ 4,531,103</b> | <b>\$ 4,896,211</b> | <b>\$2,286,984</b> |

- (1) Represents equity-based compensation expense in connection with the allocation of units of KKR Holdings, which were not dilutive to common stockholders of KKR & Co. Inc.
- (2) For the year ended December 31, 2022, strategic corporate transaction-related related charges include a \$40.7 million realized loss from foreign exchange derivatives that were entered into in connection with the acquisition of KJRM and that were settled upon closing in the second quarter of 2022.
- (3) Amounts include represent the portion allocable to noncontrolling interests. KKR & Co. Inc.
- (4) Includes gains and losses on funds withheld receivables and payables embedded derivatives.

## Notes to Financial Statements (Continued)

|                                                  |                                                  | As of                 |                       |
|--------------------------------------------------|--------------------------------------------------|-----------------------|-----------------------|
|                                                  |                                                  | December 31, 2022     | December 31, 2021     |
|                                                  |                                                  | As of                 | As of                 |
|                                                  |                                                  | As of                 | As of                 |
|                                                  |                                                  | December 31, 2023     |                       |
| <b>Total GAAP Assets</b>                         |                                                  |                       |                       |
| <b>Total GAAP Assets</b>                         |                                                  |                       |                       |
| <b>Total GAAP Assets</b>                         | <b>Total GAAP Assets</b>                         | <b>\$ 277,077,191</b> | <b>\$ 264,285,440</b> |
| Impact of Consolidation and<br>Reclassifications | Impact of Consolidation and<br>Reclassifications | (71,388,438)          | (61,775,687)          |
| Impact of Consolidation and Reclassifications    |                                                  |                       |                       |
| Impact of Consolidation and Reclassifications    |                                                  |                       |                       |
| Carry Pool Reclassifications                     |                                                  |                       |                       |
| Carry Pool Reclassifications                     |                                                  |                       |                       |
| Carry Pool Reclassifications                     | Carry Pool Reclassifications                     | (1,872,568)           | (3,650,312)           |
| <b>Total Segment Assets</b>                      | <b>Total Segment Assets</b>                      | <b>\$ 203,816,185</b> | <b>\$ 198,859,441</b> |
| <b>Total Segment Assets</b>                      |                                                  |                       |                       |
| <b>Total Segment Assets</b>                      |                                                  |                       |                       |

## 23.22. EQUITY

### Stockholders' Equity

#### Common Stock

The common stock of KKR & Co. Inc. is entitled to vote as provided by its certificate of incorporation, Delaware General Corporation Law and the rules of the NYSE. New York Stock Exchange ("NYSE"). Subject to preferences that apply to shares of Series C Mandatory Convertible Preferred Stock and any other shares of preferred stock outstanding at the time on which dividends are payable, the holders of common stock are entitled to receive dividends out of funds legally available if the Board of Directors, in its discretion, determines to declare dividends and then only at the times and in the amounts that the Board of Directors may determine. The common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

#### Series I and Series II Preferred Stock

Except for any distribution required by Delaware law to be made upon a dissolution event, the holders of Series I preferred stock do not have any economic rights to receive dividends. Series I preferred stock is entitled to vote on various matters that may be submitted to vote of the stockholders and the other matters as set forth in the certificate of incorporation. Upon a dissolution event, each holder of Series I preferred stock will be entitled to a payment equal to \$0.01 per share of Series I preferred stock. The Series I preferred stock will be eliminated on the Sunset Date (as defined in Note 1 "Organization"), which is scheduled to occur not later than December 31, 2026.

The Series II preferred stock was eliminated upon the closing of the Reorganization Mergers. Prior to the Reorganization Mergers, for matters on which common stock was entitled to vote, so long as the ratio at which KKR Group Partnership Units was exchangeable for shares of common stock remains on a one-for-one basis, Series II preferred stock was

entitled to vote together with common stock as a single class and on an equivalent basis, except Series II preferred stock was entitled to vote separately as a class on any amendment to the certificate of incorporation that changed certain terms, rights or preferences of Series II preferred stock. Prior to the Reorganization Mergers, each holder of Series II preferred stock was entitled to a payment equal to \$0.000000001 per share of Series II preferred stock upon a dissolution event.

Series C Mandatory Convertible Preferred Stock

On August 14, 2020, KKR & Co. Inc. issued 23,000,000 shares, or \$1.15 billion aggregate liquidation preference, of its 6.00% Series C Mandatory Convertible Preferred Stock (the "Series C Mandatory Convertible Preferred Stock").

Unless converted or redeemed earlier in accordance with On September 15, 2023, the terms of the Series C Mandatory Convertible Preferred Stock, mandatory conversion date, each share of Series C Mandatory Convertible Preferred Stock will then outstanding automatically convert on the mandatory conversion date, which is expected to be September 15, 2023, converted into between 1.1662 1.1700 shares and 1.4285 shares of KKR & Co. Inc.'s common stock, in each case, subject to customary anti-dilution adjustments described the receipt of cash in the certificate lieu of designations related to the Series C Mandatory Convertible Preferred Stock, fractional shares. The number of shares of common stock issuable upon conversion will be was determined based on the average volume weighted average price per share of common stock over the 20 consecutive trading day period beginning on, and including, the 21st scheduled trading day immediately prior to September 15, 2023.

Dividends on the Series C Mandatory Convertible Preferred Stock will be payable on a cumulative basis when, as and if declared by our Board of Directors, or an authorized committee thereof, at an annual rate of 6.00% on the liquidation preference of \$50.00 per share of Series C Mandatory Convertible Preferred Stock, and may be paid in cash or, subject to certain limitations, in shares of common stock or, subject to certain limitations, any combination of cash and shares of common stock. If declared, dividends on the Series C Mandatory Convertible Preferred Stock will be payable quarterly on March 15, June 15, September 15 and December 15 of each year to, and including, September 15, 2023, commencing on December 15, 2020.

Notes to Financial Statements (Continued)

Upon KKR & Co. Inc.'s voluntary or involuntary liquidation, winding-up or dissolution, each holder conversion of the Series C Mandatory Convertible Preferred Stock, would be entitled to receive a liquidation preference in the amount of \$50.00 per share no outstanding shares of Series C Mandatory Convertible Preferred Stock plus an amount equal to accumulated and unpaid dividends remained issued or outstanding. Holders of record at the close of business on such shares, whether or not declared, to, but excluding, the date fixed for liquidation, winding-up or dissolution, to be paid out September 1, 2023 separately received a final quarterly cash dividend of KKR & Co. Inc.'s assets legally available for distribution to its stockholders after satisfaction of debt and other liabilities owed to KKR & Co. Inc.'s creditors and holders of shares of its stock ranking senior to the Series C Mandatory Convertible Preferred Stock and before any payment or distribution is made to holders of any stock ranking junior to the Series C Mandatory Convertible Preferred Stock, including, without limitation, common stock.

In connection with the issuance \$0.75 per share of the Series C Mandatory Convertible Preferred Stock, payable on the limited partnership agreement conversion date. In connection with the redemption of the Series C Mandatory Convertible Preferred Stock, KKR Group Partnership was amended to provide for Partnership's preferred units with economic terms designed to mirror those of the Series C Mandatory Convertible Preferred Stock automatically converted into KKR Group Partnership Units on a one-for-one basis relative to the number of shares of common stock issued in respect of the conversion of Series C Mandatory Convertible Preferred Stock.

Notes to Financial Statements (Continued)

Share Repurchase Program

On February 7, 2023, KKR announced an increase to the total available amount under its repurchase program to \$500 million. Prior to this increase, there was approximately \$78 million remaining under the program.

Under KKR's repurchase program, shares of common stock of KKR & Co. Inc. may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing, manner, price and amount of any repurchases will be determined by KKR in its discretion and will depend on a variety of factors, including legal requirements, price and economic and market conditions. In addition to the repurchases of common stock, the repurchase program will be used for the retirement (by cash settlement or the payment of tax withholding amounts upon net settlement) of equity awards granted pursuant to our Equity Incentive Plans representing the right to receive common stock. KKR expects that the program, which has no expiration date, will be in effect until the maximum approved dollar amount has been used. The program does not require KKR to repurchase or retire any specific number of shares of common stock or equity awards, respectively, and the program may be suspended, extended, modified or discontinued at any time. As of February 6, 2024, there was approximately \$194 million remaining under the program.

The following table presents KKR & Co. Inc. common stock that has been repurchased or equity awards retired under the repurchase program:

| For the Years Ended December 31, |      |      |
|----------------------------------|------|------|
| 2022                             | 2021 | 2020 |
| For the Years Ended December 31, |      |      |
| For the Years Ended December 31, |      |      |
| For the Years Ended December 31, |      |      |
| 2023                             |      |      |
| 2023                             |      |      |
| 2023                             |      |      |

|                                        |                                        |           |           |            |
|----------------------------------------|----------------------------------------|-----------|-----------|------------|
| Shares of common stock repurchased     | Shares of common stock repurchased     | 5,191,174 | 4,462,533 | 10,209,673 |
| Shares of common stock repurchased     |                                        |           |           |            |
| Shares of common stock repurchased     |                                        |           |           |            |
| Equity awards for common stock retired |                                        |           |           |            |
| Equity awards for common stock retired |                                        |           |           |            |
| Equity awards for common stock retired | Equity awards for common stock retired | 1,308,501 | 3,350,874 | 2,850,094  |

#### Change in KKR & Co. Inc.'s Ownership Interest

Vesting of restricted holdings units into KKR common stock results in a change in ownership in KKR Group Partnership L.P., while KKR retains a controlling interest, and is accounted for as an equity transaction between the controlling and noncontrolling interests. The impact of the vesting of restricted holdings units are included within "Change in KKR & Co. Inc.'s Ownership Interest." Additionally, in December 2022, 2023, Global Atlantic completed a \$500 \$400 million equity raise. KKR contributed approximately \$423 million, increasing its ownership in Global Atlantic from 61.5% to 63.3%. The change in ownership interest in Global Atlantic, while KKR retained its controlling interest, was accounted for as an equity transaction, which resulted in (i) a reduction in the amount recorded as a noncontrolling interest and a corresponding increase in additional paid-in-capital of approximately \$34 million and (ii) an increase in the participation of KKR to the accumulated other comprehensive loss balance for approximately \$172 million. The impact of (i) the vesting of restricted holdings units and (ii) the change in ownership in Global Atlantic after the equity raise are included within "Change in KKR & Co. Inc.'s Ownership Interest."

#### Noncontrolling Interests

Noncontrolling interests represent (i) noncontrolling interests in consolidated entities and (ii) noncontrolling interests held by KKR Holdings before the closing of the Reorganization Mergers described in Note 1 "Organization."

#### Noncontrolling Interests in Consolidated Entities and Other

Noncontrolling interests in consolidated entities represent the non-redeemable ownership interests in KKR that are held primarily by:

- (i) third party fund investors in KKR's consolidated funds and certain other entities;

#### Notes to Financial Statements (Continued)

- (ii) third parties entitled to up to 1% of the carried interest received by certain general partners of KKR's funds that have made investments on or prior to December 31, 2015;
- (iii) certain former principals and their designees representing a portion of the carried interest received by the general partners of KKR's private equity funds that was allocated to them with respect to private equity investments made during such former principals' tenure with KKR prior to October 1, 2009;
- (iv) certain former principals representing all of the capital invested by or on behalf of the general partners of KKR's private equity funds prior to October 1, 2009 and any returns thereon;
- (v) third parties in KKR's Capital Markets business line;
- (vi) (iii) certain current and former employees who hold exchangeable securities; and
- (vii) (iv) third parties in KKR's insurance business including GA Rollover Investors, GA Co-Investors and third party third-party investors in Global Atlantic's consolidated renewable energy entities and certain other entities.

#### Noncontrolling Interests held by KKR Holdings

Noncontrolling interests held by KKR Holdings prior to the Reorganization Mergers consisted of economic interests held by principals indirectly in KKR Group Partnership Units. Such principals received financial benefits from KKR's business in the form of distributions received from KKR Holdings and through their direct and indirect participation in the value of KKR Group Partnership Units held by KKR Holdings. These financial benefits were not paid by KKR & Co. Inc. and were borne by KKR Holdings. As described in Note 1 "Organization," KKR completed the Reorganization Mergers on May 31, 2022 and acquired KKR Holdings and all of the KKR Group Partnership Units held by it.

The following tables present the calculation of total noncontrolling interests:

| For the Year Ended December 31, 2022                        |                                               |                                |
|-------------------------------------------------------------|-----------------------------------------------|--------------------------------|
| Noncontrolling Interests in Consolidated Entities and Other | Noncontrolling Interests Held by KKR Holdings | Total Noncontrolling Interests |
|                                                             |                                               |                                |

|                                                                           |           |                   |           |                  |           |                   |
|---------------------------------------------------------------------------|-----------|-------------------|-----------|------------------|-----------|-------------------|
| <b>Balance at the beginning of the period</b>                             | <b>\$</b> | <b>32,043,699</b> | <b>\$</b> | <b>8,430,866</b> | <b>\$</b> | <b>40,474,565</b> |
| Net income (loss) attributable to noncontrolling interests <sup>(1)</sup> |           | 127,829           |           | (313,019)        |           | (185,190)         |
| Other comprehensive income (loss), net of tax <sup>(2)</sup>              |           | (3,355,059)       |           | (1,074,414)      |           | (4,429,473)       |
| Exchange of KKR Holdings Units to Common Stock <sup>(3)</sup>             |           | —                 |           | (12,865)         |           | (12,865)          |
| Equity-based and other non-cash compensation                              |           | 263,891           |           | 100,334          |           | 364,225           |
| Capital contributions                                                     |           | 13,706,821        |           | —                |           | 13,706,821        |
| Capital distributions                                                     |           | (6,868,334)       |           | (171,580)        |           | (7,039,914)       |
| Holdings Merger <sup>(4)</sup>                                            |           | —                 |           | (6,959,322)      |           | (6,959,322)       |
| Change in KKR & Co. Inc.'s Ownership Interest                             |           | (140,847)         |           | —                |           | (140,847)         |
| <b>Balance at the end of the period</b>                                   | <b>\$</b> | <b>35,778,000</b> | <b>\$</b> | <b>—</b>         | <b>\$</b> | <b>35,778,000</b> |

## Notes to Financial Statements (Continued)

|                                                                           | For the Year Ended December 31, 2021                              |                                                  |                                   |
|---------------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------------|-----------------------------------|
|                                                                           | Noncontrolling Interests<br>in Consolidated Entities<br>and Other | Noncontrolling Interests<br>Held by KKR Holdings | Total Noncontrolling<br>Interests |
| Balance at the beginning of the period                                    | \$ 20,570,716                                                     | \$ 6,512,382                                     | \$ 27,083,098                     |
| Net income (loss) attributable to noncontrolling interests <sup>(1)</sup> | 4,910,003                                                         | 2,714,640                                        | 7,624,643                         |
| Other comprehensive income (loss), net of tax <sup>(2)</sup>              | (151,806)                                                         | (91,595)                                         | (243,401)                         |
| Exchange of KKR Holdings Units to Common Stock <sup>(3)</sup>             | —                                                                 | (522,474)                                        | (522,474)                         |
| Equity-based and other non-cash compensation                              | 104,838                                                           | 161,283                                          | 266,121                           |
| Capital contributions                                                     | 14,693,564                                                        | 25                                               | 14,693,589                        |
| Capital distributions                                                     | (7,141,225)                                                       | (343,395)                                        | (7,484,620)                       |
| Impact of Acquisition <sup>(5)</sup>                                      | 190,405                                                           | —                                                | 190,405                           |
| Changes in consolidation                                                  | (1,132,796)                                                       | —                                                | (1,132,796)                       |
| Balance at the end of the period                                          | \$ 32,043,699                                                     | \$ 8,430,866                                     | \$ 40,474,565                     |

The following table presents the calculation of total noncontrolling interests:

|                                                                           | For the Year Ended December 31, 2020 |                          |                      |
|---------------------------------------------------------------------------|--------------------------------------|--------------------------|----------------------|
|                                                                           | Noncontrolling Interests in          |                          |                      |
|                                                                           | Consolidated Entities and            | Noncontrolling Interests | Total Noncontrolling |
|                                                                           | Other                                | Held by KKR Holdings     | Interests            |
| Balance at the beginning of the period                                    | \$ 13,966,250                        | \$ 5,728,634             | \$ 19,694,884        |
| Net income (loss) attributable to noncontrolling interests <sup>(1)</sup> | 1,907,155                            | 1,207,934                | 3,115,089            |
| Other comprehensive income (loss), net of tax <sup>(2)</sup>              | (4,092)                              | 12,191                   | 8,099                |
| Exchange of KKR Holdings Units to Common Stock <sup>(3)</sup>             | —                                    | (291,525)                | (291,525)            |
| Equity-based and other non-cash compensation                              | 52,645                               | 80,739                   | 133,384              |
| Capital contributions                                                     | 9,860,609                            | 98                       | 9,860,707            |
| Capital distributions                                                     | (4,950,763)                          | (209,776)                | (5,160,539)          |
| Transfer of interests under common control <sup>(6)</sup>                 | (21,830)                             | 7,445                    | (14,385)             |
| Transfer of Oil and Gas Interests (See Note 2)                            | —                                    | (23,358)                 | (23,358)             |
| Changes in consolidation                                                  | (239,258)                            | —                        | (239,258)            |
| Balance at the end of the period                                          | \$ 20,570,716                        | \$ 6,512,382             | \$ 27,083,098        |

|                                                                   | For the Years Ended December 31, |               |               |
|-------------------------------------------------------------------|----------------------------------|---------------|---------------|
|                                                                   | 2023                             | 2022          | 2021          |
|                                                                   |                                  |               |               |
| Beginning of Period (as previously reported for the prior period) | \$ 35,778,000                    | \$ 40,474,565 | \$ 27,083,098 |

|                                                                                 |                      |                      |                      |
|---------------------------------------------------------------------------------|----------------------|----------------------|----------------------|
| Adoption of New Accounting Standard (See Note 2)                                | 632,858              | 104,961              | —                    |
| <b>Balance at the beginning of the period (as revised for the prior period)</b> | <b>36,410,858</b>    | <b>40,579,526</b>    | <b>27,083,098</b>    |
| Net Income (Loss) Attributable to Noncontrolling Interests                      | 1,630,230            | 101,258              | 7,715,251            |
| Other Comprehensive Income (Loss), net of tax                                   | 588,415              | (3,919,807)          | (228,276)            |
| Change in KKR & Co. Inc.'s Ownership Interest                                   | (156,867)            | (170,436)            | —                    |
| Equity Based Compensation (Non Cash Contribution)                               | 323,577              | 364,225              | 266,121              |
| Capital Contributions                                                           | 12,871,585           | 13,706,821           | 14,692,817           |
| Capital Distributions                                                           | (8,301,516)          | (7,039,914)          | (7,484,620)          |
| Exchange of KKR Holdings units to Common Stock                                  | —                    | (12,865)             | (522,474)            |
| Holdings Merger <sup>(1)</sup>                                                  | —                    | (7,197,950)          | —                    |
| Impact of Acquisition <sup>(2)</sup>                                            | —                    | —                    | 190,405              |
| Changes in Consolidation <sup>(3)</sup>                                         | (8,461,491)          | —                    | (1,132,796)          |
| <b>Balance at the end of the period</b>                                         | <b>\$ 34,904,791</b> | <b>\$ 36,410,858</b> | <b>\$ 40,579,526</b> |

(1) Refer to the table below for calculation of net income (loss) attributable to noncontrolling interests formerly held by KKR Holdings.

(2) With respect to noncontrolling interests formerly held by KKR Holdings, calculated on a pro rata basis based on the weighted average KKR Group Partnership Units formerly held by KKR Holdings during the reporting period.

(3) Calculated based on the proportion of KKR Holdings Units exchanged for KKR & Co. Inc. common stock. The exchange agreement with KKR Holdings provided for the exchange of KKR Group Partnership Units held by KKR Holdings for KKR & Co. Inc. common stock.

(4) Refer to Note 1 "Organization" for further information on the Reorganization Mergers that closed on May 31, 2022, pursuant to which KKR acquired KKR Holdings and all of the KKR Group Partnership Units held by it, and all outstanding KKR Holdings Units were exchanged for KKR & Co. Inc. common stock.

(5) (2) Represents other noncontrolling interests at the 2021 GA Acquisition Date.

(6) (3) KKR acquired KKR Capstone on January 1, 2020. KKR Capstone was in certain instances, KKR's economic interests became insignificant and certain investment vehicles are no longer consolidated prior to January 1, 2020 and consequently, this transaction was accounted as a result of additional amounts subscribed for as an equity transaction. This transaction resulted in an increase to KKR Group Partnership's equity. Accordingly, both KKR's equity and noncontrolling interests held by KKR Holdings increased for their proportionate share of the KKR Capstone equity based on their ownership in KKR Group Partnership on January 1, 2020, third party investors.

## Notes to Financial Statements (Continued)

Net income (loss) attributable to each of KKR & Co. Inc. common stockholders, KKR Holdings prior to the Reorganization Mergers, and holders of exchangeable securities, with the exception of certain tax assets and liabilities that are directly allocable to KKR & Co. Inc., is attributed based on the percentage of the weighted average KKR Group Partnership Units directly or indirectly held by them. However, primarily because of the (i) contribution of certain expenses borne entirely by KKR Holdings prior to the Reorganization Mergers and holders of exchangeable securities, (ii) the periodic exchange of KKR Holdings Units for KKR & Co. Inc. common stock pursuant to the exchange agreement prior to the Reorganization Mergers and (iii) the contribution of certain expenses borne entirely by KKR associated with the Equity Incentive Plans, equity allocations shown in the consolidated statement of changes in equity differ from their respective pro rata ownership interests in KKR's net assets.

The following table presents net income (loss) attributable to noncontrolling interests held by KKR Holdings:

|                                                                                                   | For the Years Ended December 31, |                      |                     |
|---------------------------------------------------------------------------------------------------|----------------------------------|----------------------|---------------------|
|                                                                                                   | 2022                             | 2021                 | 2020                |
| <b>Net income (loss)</b>                                                                          | <b>\$ (1,023,528)</b>            | <b>\$ 12,295,179</b> | <b>\$ 5,117,598</b> |
| (-) Net income (loss) attributable to Redeemable Noncontrolling Interests                         | 2,792                            | 4,060                | —                   |
| (-) Net income (loss) attributable to Noncontrolling Interests in consolidated entities and other | 127,829                          | 4,910,003            | 1,907,155           |
| (-) Series A and B Preferred Stock Dividends                                                      | —                                | 36,647               | 33,364              |
| (-) Series C Mandatory Convertible Preferred Stock Dividends                                      | 69,000                           | 69,000               | 23,191              |
| (+) Income tax expense (benefit) attributable to KKR & Co. Inc.                                   | (233,752)                        | 1,227,492            | 545,546             |
| <b>Net income (loss) attributable to KKR &amp; Co. Inc.</b>                                       | <b>\$ (1,456,901)</b>            | <b>\$ 8,502,961</b>  | <b>\$ 3,699,434</b> |
| <b>Common Stockholders and KKR Holdings</b>                                                       |                                  |                      |                     |
| <b>Net income (loss) attributable to Noncontrolling Interests held by KKR Holdings</b>            | <b>\$ (313,019)</b>              | <b>\$ 2,714,640</b>  | <b>\$ 1,207,934</b> |

## 24.23. REDEEMABLE NONCONTROLLING INTERESTS

Redeemable **Noncontrolling Interests** **noncontrolling interests** represent:

(i) Noncontrolling interests of certain KKR investment funds and vehicles that are subject to periodic redemption by fund investors following the expiration of a specified period of time, or may be withdrawn subject to a redemption fee during the period when capital may not be otherwise withdrawn. Consolidated fund investor's interests subject to redemption as described above are presented as Redeemable Noncontrolling Interests in the accompanying consolidated statements of financial condition and presented as Net Income (Loss) Attributable to Redeemable Noncontrolling Interests in the accompanying consolidated statements of operations. When redeemable amounts become legally payable to fund investors, they are classified as a liability and included in Accounts Payable, Accrued Expenses and Other Liabilities in the accompanying consolidated statements of financial condition.

(ii) Global Atlantic has redeemable noncontrolling interests related to renewable energy entities of approximately **\$82.7 million** **\$47.8 million** and **\$82.5 million** **\$82.7 million** as of **December 31, 2022** **December 31, 2023** and **2021, 2022**, respectively, as determined by the **HLBV method, respectively, hypothetical liquidation at book value ("HLBV") method**. The estimated redemption value of redeemable noncontrolling interests is calculated as the discounted cash flows subsequent to the expected flip date of the respective renewable energy entity. The flip date represents the date at which the allocation of income and cash flows among the investors in the entity is adjusted, pursuant to the redeemable noncontrolling interest investors having achieved an agreed-upon return. The flip date of renewable energy partnerships determines when the redeemable noncontrolling interests are eligible to be redeemed. Eligible redemption dates range from January 1, 2028 to June 30, 2028. For the redeemable noncontrolling interests outstanding as of **both December 31, 2022** **December 31, 2023** and **2021, 2022**, the estimated redemption value that would be due at the respective redemption dates is **\$3.2 million** and **\$5.3 million**.

#### Notes to Financial Statements (Continued)

, respectively.

The following table presents the calculation of Redeemable Noncontrolling Interests:

|                                                                       | For the Years Ended December 31, |           |      |
|-----------------------------------------------------------------------|----------------------------------|-----------|------|
|                                                                       | 2022                             | 2021      | 2020 |
| Balance at the beginning of the period                                | \$ 82,491                        | \$ —      | \$ — |
| Impact of Acquisition (See Note 3)                                    | —                                | 91,845    | —    |
| Net income (loss) attributable to Redeemable Noncontrolling Interests | 2,792                            | 4,060     | —    |
| Capital contributions                                                 | 69,322                           | —         | —    |
| Capital distributions                                                 | (2,540)                          | (13,414)  | —    |
| Balance at the end of the period                                      | \$ 152,065                       | \$ 82,491 | \$ — |

|                                                                       | For the Years Ended December 31, |            |           |
|-----------------------------------------------------------------------|----------------------------------|------------|-----------|
|                                                                       | 2023                             | 2022       | 2021      |
| Balance at the beginning of the period                                | \$ 152,065                       | \$ 82,491  | \$ —      |
| Impact of Acquisition                                                 | —                                | —          | 91,845    |
| Net Income (Loss) Attributable to Redeemable Noncontrolling Interests | (5,405)                          | 2,792      | 4,060     |
| Capital Contributions                                                 | 499,433                          | 69,322     | —         |
| Capital Distributions                                                 | (2,845)                          | (2,540)    | (13,414)  |
| Changes in Consolidation                                              | (27,821)                         | —          | —         |
| Balance at the end of the period                                      | \$ 615,427                       | \$ 152,065 | \$ 82,491 |

#### Notes to Financial Statements (Continued)

## 25. 24. COMMITMENTS AND CONTINGENCIES

### Funding Commitments and Others

As of **December 31, 2022** **December 31, 2023**, KKR had unfunded commitments consisting of **\$10.4 billion** **\$7.7 billion** to its investment funds and vehicles. KKR has also agreed for certain of its investment vehicles to fund or otherwise be liable for a portion of their investment losses (up to a maximum of approximately **\$116 million** **\$86.1 million**) and/or to provide them with liquidity upon certain termination events (the maximum amount of which is unknown until the scheduled termination date of the investment vehicle).

In addition to these uncalled commitments and funding obligations to KKR's investment funds and vehicles, KKR has entered into contractual commitments primarily with respect to underwriting transactions, debt financing, revolving credit facilities, and syndications in KKR's Capital Markets business line. As of **December 31, 2022** **December 31, 2023**, these commitments amounted to **\$654.3** **\$280.8** million. Whether these amounts are actually funded, in whole or in part, depends on the contractual terms of such commitments, including the satisfaction or waiver of any conditions to closing or funding. KKR's capital markets business has arrangements with third parties, which reduce its risk

when underwriting certain debt transactions, and thus our unfunded commitments as of **December 31, 2022** **December 31, 2023** have been reduced to reflect the amount to be funded by such third parties. **As of December 31, 2023**, KKR's capital markets business line has entered into such arrangements representing a total notional amount of \$4.5 billion. In the case of purchases of investments or assets in our Principal Activities business line, the amount to be funded includes amounts that are intended to be syndicated to third parties, and the actual amounts to be funded may be less.

Global Atlantic has commitments to purchase or fund investments of **\$3.3 billion and \$2.0 billion** **\$4.2 billion** as of **December 31, 2022 and 2021, respectively**. **December 31, 2023**. These commitments include those related to **commercial** mortgage loans, other lending facilities and other investments. For those commitments that represent a contractual obligation to extend credit, Global Atlantic has recorded a liability of **\$55.8 million and \$21.7 million** **\$49.4 million** for current expected credit losses as of **December 31, 2022 and 2021, respectively**. **December 31, 2023**.

In addition, Global Atlantic has entered into certain forward flow agreements to purchase loans. Global Atlantic's obligations under these agreements are subject to change, curtailment, and cancellation based on various provisions including repricing mechanics, due diligence reviews, and performance or pool quality, among other factors.

As of **December 31, 2022** **December 31, 2023**, purchase commitments under agreements with third-party administrators and other service providers were as follows:

|              |              |                  |
|--------------|--------------|------------------|
| 2023         |              | \$ 35,701        |
| 2024         |              |                  |
| 2024         |              |                  |
| 2024         | 2024         | 30,978           |
| 2025         | 2025         | 27,356           |
| 2026         | 2026         | 19,981           |
| 2027         | 2027         | 11,672           |
| 2028         |              |                  |
| Thereafter   | Thereafter   | 75,393           |
| <b>Total</b> | <b>Total</b> | <b>\$201,081</b> |

## Notes to Financial Statements (Continued)

### Non-cancelable Operating Leases

KKR's non-cancelable operating leases consist of leases of office space around the world. There are no material rent holidays, contingent rent, rent concessions or leasehold improvement incentives associated with any of these property leases. In addition to base rentals, certain lease agreements are subject to escalation provisions and rent expense is recognized on a straight-line basis over the term of the lease agreement.

As of **December 31, 2022** **December 31, 2023**, the approximate aggregate future lease payments required on the asset management operating leases are as follows:

|                                                     |                                                     |                  |
|-----------------------------------------------------|-----------------------------------------------------|------------------|
| 2023                                                |                                                     | \$ 45,626        |
| 2024                                                |                                                     |                  |
| 2024                                                |                                                     |                  |
| 2024                                                | 2024                                                | 47,263           |
| 2025                                                | 2025                                                | 47,190           |
| 2026                                                | 2026                                                | 39,153           |
| 2027                                                | 2027                                                | 29,204           |
| 2028                                                |                                                     |                  |
| Thereafter                                          | Thereafter                                          | 192,588          |
| <b>Total lease payments required <sup>(1)</sup></b> | <b>Total lease payments required <sup>(1)</sup></b> | <b>401,024</b>   |
| Less:                                               | Less:                                               |                  |
| Imputed Interest                                    | Imputed Interest                                    | 53,123           |
| <b>Total operating lease liabilities</b>            | <b>Total operating lease liabilities</b>            | <b>\$347,901</b> |

<sup>(1)</sup> Lease payments required exclude approximately \$456 million for leases signed, but not yet commenced. These leases related to corporate offices and will commence in 2024 with lease terms of 15 years.

Global Atlantic also enters into land leases for its consolidated investments in renewable energy.

As of **December 31, 2022** **December 31, 2023**, the approximate aggregate future lease payments required on the Global Atlantic operating leases are as follows:

|                                          |                                          |                  |
|------------------------------------------|------------------------------------------|------------------|
| 2023                                     |                                          | \$ 18,012        |
| 2024                                     |                                          |                  |
| 2024                                     |                                          |                  |
| 2024                                     | 2024                                     | 18,839           |
| 2025                                     | 2025                                     | 17,080           |
| 2026                                     | 2026                                     | 15,556           |
| 2027                                     | 2027                                     | 15,745           |
| 2028                                     |                                          |                  |
| Thereafter                               | Thereafter                               | 272,362          |
| <b>Total lease payments required</b>     | <b>Total lease payments required</b>     | <b>357,594</b>   |
| Less:                                    | Less:                                    |                  |
| Imputed Interest                         | Imputed Interest                         | 162,593          |
| <b>Total operating lease liabilities</b> | <b>Total operating lease liabilities</b> | <b>\$195,001</b> |

## Contingent Repayment Guarantees

The partnership documents governing KKR's carry-paying investment funds and vehicles generally include a "clawback" provision that, if triggered, may give rise to a contingent obligation requiring the general partner to return amounts to the fund for distribution to the fund investors at the end of the life of the fund. Under a clawback obligation, upon the liquidation of a fund, the general partner is required to return, typically on an after-tax basis, previously distributed carry to the extent that, due to the diminished performance of later investments, the aggregate amount of carry distributions received by the general partner during the term of the fund exceed the amount to which the general partner was ultimately entitled, including the effects of any performance thresholds. KKR has guaranteed its general partners' clawback obligations.

## Notes to Financial Statements (Continued)

As of **December 31, 2022** **December 31, 2023**, approximately **\$520 million** **\$546 million** of carried interest was subject to this clawback obligation, assuming that all applicable carry-paying funds and their alternative investment vehicles were liquidated at their **December 31, 2022** **December 31, 2023** fair values. Although KKR would be required to remit the entire amount to fund investors that are entitled to receive the clawback payment, KKR would be entitled to seek reimbursement of approximately **\$210 million** **\$222 million** of that amount from **KKR Associates Holdings, L.P.**, which is not a KKR subsidiary. As of **December 31, 2022** **December 31, 2023**, **KKR Associates Holdings, L.P.** had access to cash reserves sufficient to reimburse the full **\$210** **\$222** million that would be due to KKR. If the investments in all carry-paying funds were to be liquidated at zero value, the clawback obligation would have been approximately **\$2.9 billion** **\$3.5 billion**, and KKR would be entitled to seek reimbursement of approximately **\$1.2** **\$1.5** billion of that amount from **KKR Associates Holdings, L.P.** **Holdings, L.P.** KKR will acquire control of **KKR Associates Holdings, L.P.** when a subsidiary of KKR becomes its general partner upon the closing of the transactions contemplated to occur on the Sunset Date (as defined in Note 1 "Organization"), which will occur not later than December 31, 2026.

Carried interest is recognized in the consolidated statements of operations based on the contractual conditions set forth in the agreements governing the fund as if the fund were terminated and liquidated at the reporting date and the fund's investments were realized at the then estimated fair values. Amounts earned pursuant to carried interest are earned by the general partner of those funds to the extent that cumulative investment returns are positive and where applicable, preferred return thresholds have been met. If these investment amounts earned decrease or turn negative in subsequent periods, recognized carried interest will be reversed and to the extent that the aggregate amount of carry distributions received by the general partner during the term of the fund exceed the amount to which the general partner was ultimately entitled, a clawback obligation would be recorded. For funds that are consolidated, this clawback obligation, if any, is reflected as an increase in noncontrolling interests in the consolidated statements of financial condition. For funds that are not consolidated, this clawback obligation, if any, is reflected as a reduction of KKR's investment balance as this is where carried interest is initially recorded.

## Indemnifications and Other Guarantees

### Asset Management Segment

KKR may incur contingent liabilities for claims that may be made against it in the future. KKR enters into contracts that contain a variety of representations, warranties and covenants, including indemnifications. KKR (including KFN) and certain of KKR's investment funds have provided and provide certain credit support, such as indemnities and guarantees, relating to a variety of matters, including non-recourse carve-out guarantees for fraud, willful misconduct and other wrongful acts in connection with the financing of (i) certain real estate investments that we have made, including KKR's corporate real estate, and (ii) certain investment vehicles that KKR manages or sponsors.

KKR also has provided, and provides, credit support in connection with the Asset Management business, including:

- to certain of its subsidiaries' obligations in connection with a limited number of investment vehicles that KKR manages,



- ii. in connection with repayment and funding obligations to third-party lenders on behalf of certain employees, excluding its executive officers, in connection with their personal investments in KKR investment funds and a levered multi-asset investment vehicle,
- iii. to one of its hedge fund partnerships,
- iv. through a contingent guarantee of a subsidiary's loan repayment obligations, which does not become effective unless and until its loan becomes accelerated due to certain specified events of default involving the investment vehicles managed by KJRM,
- v. the obligations of our subsidiaries' funding obligations to our investment vehicles, and
- vi. certain of our investment vehicles to fund or otherwise be liable for a portion of their investment losses and/or to provide them with liquidity upon certain termination events (the maximum amount of which is unknown until the scheduled termination date of the investment vehicle).

KKR may also 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.

## Notes to Financial Statements (Continued)

### Insurance Segment

The Global Atlantic business was formerly owned by The Goldman Sachs Group, Inc. (together with its subsidiaries, "Goldman Sachs"). In connection with the separation of Global Atlantic from Goldman Sachs in 2013, Global Atlantic entered into a tax benefit payment agreement with Goldman Sachs. Under the tax benefit payment agreement, GA FinCo is obligated to make annual payments out of available cash, guaranteed by GAFG, to Goldman Sachs over an approximately 25-year period totaling \$214.0 million. As of December 31, 2022 December 31, 2023, the present value of the remaining amount to be paid is \$67.1 million \$62.5 million. Although these payments are subordinated and deferrable, deferral of these payments would result in restrictions on distributions by GA FinCo and GAFG.

In lieu of funding certain investments in loan facilities to third party borrowers in cash, Global Atlantic has arranged or participated in letters of credit issued by third-party banks on behalf of the borrowers in the amount of \$32.9 million \$14.7 million, as of December 31, 2022 December 31, 2023, with expiration dates between March 2023 to September May 2024 and November 2024. Global Atlantic has available lines of credit that would allow for additional letters of credit to be issued on behalf of certain borrowers, up to \$232.1 million \$160.3 million, as of December 31, 2022 December 31, 2023. For accounting purposes, these letters of credit are considered guarantees of certain obligations of the borrowers. If a letter of credit were to be drawn, Global Atlantic would be obligated to repay the issuing third-party bank, and Global Atlantic would recognize a loan receivable from the borrowers on the consolidated statements of financial condition. Global Atlantic monitors the likelihood of these letters of credit being drawn, and any related contingent obligation. As of both December 31, 2022 December 31, 2023 and 2021, 2022, the expected credit loss on the contingent liability associated with these letters of credit was not material.

Unless otherwise stated above, KKR's maximum exposure under the arrangements described under this section "Indemnifications"—Indemnifications and Other Guarantees are currently unknown as there are no stated or notional amounts included in these arrangements and KKR's liabilities for these matters would require a claim to be made against KKR in the future.

### Litigation Legal Proceedings

From time to time, KKR (including Global Atlantic) is involved in various legal proceedings, requests for information, lawsuits, arbitration and claims incidental to the conduct of KKR's businesses. KKR's asset management and insurance businesses are also subject to extensive regulation, which may result in regulatory or other legal proceedings against them. Moreover, in the ordinary course of business, KKR is and can be both the defendant and the plaintiff in numerous lawsuits with respect to acquisitions, bankruptcy, insolvency and other events. Such lawsuits may involve claims that adversely affect the value of certain investments owned by KKR's funds and Global Atlantic's insurance companies.

#### Kentucky Matter

In December 2017, KKR & Co. L.P. (which is now KKR Group Co. Inc.) and its then Co-Chief Executive Officers, Henry Kravis and George Roberts, were named as defendants in a lawsuit filed in Kentucky state court (the "2017 Action") alleging, among other things, the violation of fiduciary and other duties in connection with certain separately managed accounts that Prisma Capital Partners LP, a former subsidiary of KKR, manages for the Kentucky Retirement Systems. Also named as defendants in the lawsuit are certain current and former trustees and officers of the Kentucky Retirement Systems, Prisma Capital Partners LP, and various other service providers to the Kentucky Retirement Systems and their related persons. KKR and other defendants' motions to dismiss were denied by The 2017 Action was dismissed at the trial court in November 2018, but in April 2019 the Kentucky Court direction of Appeals vacated the trial court's opinion and order denying the motions to dismiss the case for lack of standing. The decision of the Court of Appeals was appealed by plaintiffs to the Supreme Court of Kentucky. On July 9, 2020, the Supreme Court of Kentucky reversed the trial court's order and remanded the case to the trial court with direction to dismiss the complaint for lack of Kentucky constitutional standing. This dismissal became final on February 16, 2024.

On July 20, 2020 July 21, 2020, the Office of the Attorney General, on behalf of the Commonwealth of Kentucky, filed a motion to intervene as a plaintiff in the lawsuit and on July 21, 2020 filed a new lawsuit in the same Kentucky trial state court (the "2020 AG Action") making essentially the same allegations as those raised in the 2017 Action, including against the defendants, including what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Messrs. Kravis and Roberts. On July 29, 2020, certain private plaintiffs in the original lawsuit filed a motion to further amend their original complaint and to add new plaintiffs. On July 30, 2020 September 14, 2023, KKR & Co. Inc., Messrs. Kravis and Roberts and other defendants filed objections moved to dismiss the Attorney General's 2020 AG Action. Oral arguments on the motion to intervene. On December 28, 2020, dismiss the trial court

dismissed the complaint filed by the original plaintiffs and denied their motion to amend their original complaint and add new plaintiffs, but granted the Office of the Attorney General's motion to intervene. 2020 AG Action are scheduled for February 29, 2024.

In January 2021, some of the attorneys for the private plaintiffs in the original lawsuit 2017 Action filed a new lawsuit, and a motion to intervene in the original lawsuit on behalf of a new set of plaintiffs, who claim to be "Tier 3" "Tier 3" members of Kentucky Retirement Systems (the "Tier 3 Plaintiffs"), alleging substantially the same allegations as in the original lawsuit. The motion to intervene in the original lawsuit was denied. These "Tier 3" plaintiffs appealed the denial of their motion to intervene but then voluntarily dismissed their appeal on January 31, 2022. In addition, the Kentucky Retirement Systems had commissioned an investigation into certain matters alleged in the Attorney General's complaint. The trial court ordered that this investigation be completed by May 17, 2021, and the Attorney General was permitted to amend its complaint after reviewing the investigation's report within ten days of the Attorney General's receipt of it. On May 24, 2021, the Attorney General filed a First Amended Complaint on behalf of the Commonwealth of Kentucky. This complaint continues to name KKR & Co. L.P. and its then Co-Chief Executive Officers, as defendants, and makes similar allegations against them. KKR and the other defendants moved to dismiss the First Amended Complaint on July 30, 2021. The court held oral argument on these motions to dismiss on December 14, 2021. 2017 Action. On July 9, 2021, the individual plaintiffs Tier 3 Plaintiffs served an amended complaint,

#### Notes to Financial Statements (Continued)

which purports to assert, on behalf of a class of beneficiaries of Kentucky Retirement Systems, direct claims for breach of fiduciary duty and civil violations under the Racketeer Influenced and Corrupt Organizations Act ("RICO" ("RICO")). This complaint was removed to the U.S. District Court for the Eastern District of Kentucky, which has entered an order staying this case until the completion of the Attorney General's lawsuit on behalf of the Commonwealth. 2020 AG Action. On August 20, 2021, the same Tier 3 Plaintiffs and other individual plaintiffs filed a second complaint in Kentucky state court (the "Second Tier 3 Action"), purportedly on behalf of Kentucky Retirement Systems' Systems' funds, alleging the same claims against what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Messrs. Kravis and Roberts as in the July 9th

#### Notes to Financial Statements (Continued)

amended complaint but without the RICO or class action allegations. KKR and the other defendants have moved to dismiss the August 20th complaint. Second Tier 3 Action. On October 26, 2023, the trial court heard oral arguments on these motions to dismiss.

On March 24, 2022, in a separate declaratory judgment action brought by the Commonwealth of Kentucky regarding the enforceability of certain indemnification provisions available to what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Prisma Capital Partners LP, the Kentucky state court found concluded that it has personal jurisdiction over KKR & Co. Inc., and this finding is currently being appealed by KKR. On May 27, 2022, following a motion by KKR, the judge then adjudicating the lawsuits recused himself from the original 2017 in that action, and that the second Tier 3 action, indemnification provisions violated the Kentucky Constitution and a new judge was assigned, were therefore unenforceable. On December 9, 2022 December 1, 2023, the new judge issued an order that held in abeyance the motions to dismiss filed by KKR and other defendants pending the outcome Kentucky Court of appeals which challenge Appeals reversed the trial court's December 28, 2020 order granting summary judgment on the Attorney General's issue of personal jurisdiction over KKR & Co. Inc., but affirmed the trial court's rulings that the indemnification provisions violated the Kentucky Constitution and were unenforceable. On February 5, 2024, the Kentucky Court of Appeals denied the petitions of KKR & Co. Inc. and others for rehearing. The deadline to file a motion to intervene, with the Supreme Court of Kentucky for discretionary review of the Court of Appeals' December 1, 2023 decision is March 6, 2024.

KKR (including Global Atlantic) intends to continue to vigorously defend against these claims against KKR and Messrs. Kravis and Roberts.

#### Regulatory Matters

KKR currently is, and expects to continue to become from time to time, subject to various examinations, inquiries and investigations by various U.S. and non-U.S. governmental and regulatory agencies. Such examinations, inquiries and investigations may result in the commencement of civil, criminal or administrative proceedings, or the imposition of fines, penalties, or other remedies, against KKR and its personnel. KKR is subject to periodic examinations of its regulated businesses by various U.S. and non-U.S. governmental and regulatory agencies, including but not limited to the SEC, U.S. Department of Justice, U.S. state attorney generals, Securities and Exchange Commission ("SEC"), Financial Industry Regulatory Authority ("FINRA"), the U.K. Financial Conduct Authority, Central Bank of Ireland, Monetary Authority of Singapore, U.S. state insurance regulatory authorities, and the Bermuda Monetary Authority. Such examinations, inquiries and investigations KKR may result in the commencement of civil, criminal or administrative proceedings or fines against KKR or its personnel. KKR is presently also become subject to inquiries or investigations (through a request for information, civil investigations investigative demand, subpoena or otherwise) by any of the foregoing governmental and inquiries regulatory agencies as well as by any other U.S. or non-U.S. governmental or regulatory agency, including but not limited to the SEC, U.S. Department of Justice ("DOJ"), U.S. state attorney generals, and similar non-U.S. governmental or regulatory agencies. 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, communications, including with respect to the preservation of text messages and similar communications on electronic messaging applications under the Investment Advisers Act of 1940. KKR is currently cooperating with each of these civil investigations and inquiries, named investigations.

Moreover, in the ordinary course of business, KKR (including Global Atlantic) is and can be both the defendant and the plaintiff in numerous lawsuits with respect to acquisitions, bankruptcy, insolvency and other events. Such lawsuits may involve claims that adversely affect the value of certain investments owned by KKR's funds and Global Atlantic's insurance companies.

#### Loss Contingencies

KKR establishes an accrued liability for legal or regulatory proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. In such cases, there may be an exposure to loss KKR includes in excess its financial statements the amount of any amounts accrued, reserve for regulatory, litigation and related matters that Global Atlantic includes in its financial statements. No loss contingency is recorded for matters where such losses are either not probable or reasonably estimable (or both) at the time of determination. Such matters may be subject also have the possibility of resulting in losses in excess of any amounts accrued. To the extent KKR can in any

particular period estimate an aggregate range of reasonably possible losses, these decisions involve significant judgment given that it is inherently difficult to determine whether any loss for a matter is probable or even possible or to estimate the amount of any loss in many legal, governmental and regulatory matters.

Estimating an accrued liability or a reasonably possible loss involves significant judgment due to many uncertainties, including among others: (i) the proceedings proceeding may be in early stages; (ii) damages sought may be unspecified, unsupported, unexplained or uncertain; (iii) discovery may not have been started or is incomplete; (iv) there may be uncertainty as to the outcome of pending appeals or motions; (v) there may be significant factual issues to be resolved or resolved; (vi) there may be novel legal issues or unsettled legal theories to be presented or a large number of parties, parties; or (vii) the proceeding relates to a regulatory examination, inquiry, or investigation. It is not possible to predict the ultimate outcome of all pending litigations, arbitrations, claims, and governmental or regulatory examinations, inquiries, investigations and proceedings, and some of the matters discussed above seek or may seek potentially large or indeterminate relief. Consequently, management is unable as of the date of filing of this report to estimate an amount or range of potential loss, if any, reasonably possible losses related to these matters, matters pending against KKR. In addition, any amounts accrued as loss contingencies or disclosed as reasonably possible losses may be, in part or in whole, subject to insurance or other payments such as contributions and/or and indemnity, which may reduce any ultimate loss. KKR has included in its financial statements

#### Notes to Financial Statements (Continued)

As of the reserve for regulatory, litigation and related matters date of filing this report, management does not believe, based on currently available information, that Global Atlantic includes in its financial statements, including with respect to matters arising from the conversion of life insurance policies from systems previously managed by Athene Holdings Limited to the platform of one of Global Atlantic's third party service providers, Alliance-One, a subsidiary of DXC Technology Company.

It is not possible to predict the ultimate outcome of all pending legal proceedings, and some outcomes of the matters discussed above seek or may seek potentially large and/or indeterminate amounts. Based on information known by management, management has not concluded that the final resolutions of the matters above pending against KKR will have a material adverse effect upon the its financial statements. However, given the potentially large and/or indeterminate amounts relief sought or that may be sought in certain of these matters and the inherent unpredictability of litigations, arbitrations, claims, and governmental or regulatory examinations, inquiries, investigations and litigations, proceedings, it is possible that an adverse outcome in certain matters could from time to time, have a material adverse effect on KKR's financial results in any particular future period. In addition, there can be no assurance that material losses will not be incurred from claims that have not yet been asserted or those where potential losses have not yet been determined to be probable or possible and reasonably estimable.

#### Other Financing Arrangements

Global Atlantic has financing arrangements with unaffiliated third parties to support the reserves of its affiliated special purpose reinsurers. Total fees expensed associated with these financing arrangements were \$20.3 million, \$20.1 million and \$16.4 million \$16.4 million for the years ended December 31, 2022 December 31, 2023, 2022 and 2021, respectively, and are included in insurance expenses in the consolidated statements of operations. As of December 31, 2022 both December 31, 2023 and 2021, 2022, the total capacity of the financing arrangements with third parties was \$2.3 billion and \$2.0 billion, respectively.

Other than the matters disclosed above, there were no outstanding or unpaid balances from the financing arrangements with unaffiliated third parties as of both December 31, 2022 December 31, 2023 and 2021, 2022.

#### Notes to Financial Statements (Continued)

## 26, 25. CAPITAL & REGULATORY REQUIREMENTS

### Insurance subsidiary capital requirements

All of our Global Atlantic's Atlantic insurance subsidiaries companies are subject to minimum capital and surplus requirements. Insurance companies typically operate in excess of such requirements. Failure to maintain such minimum capital will result in regulatory actions, including in certain circumstances regulatory takeover of the insurance company.

In the United States, our Global Atlantic's insurance subsidiaries companies are subject to risk based capital ("RBC") standards and other minimum capital and surplus requirements imposed by state laws. The RBC formula is intended to measure the adequacy of the insurance company's statutory surplus in relation to the risks inherent in its business. The RBC formula requires higher surplus in relation to items deemed to have higher risk. Regulatory action is triggered beginning at 200% RBC and below.

Our Global Atlantic's Atlantic Bermuda insurance subsidiaries companies are subject to Bermuda Solvency Capital Requirements ("BSCR") standards and other minimum capital and surplus requirements imposed by the BMA. The BMA expects that insurers operate at or above a BSCR ratio of at least 120%.

Each of our Global Atlantic's Atlantic insurance subsidiaries companies exceeded the minimum requirements that would trigger regulatory action for all periods presented in this report.

### Insurance subsidiary dividend restrictions

Payments of dividends by Global Atlantic's our U.S. and Bermuda-domiciled insurance subsidiaries companies are restricted by insurance statutes and regulations. Global Atlantic's Our ability to pay dividends out of its our U.S.-domiciled insurance companies is limited to the dividend paying capacity of its Global Atlantic's indirect insurance subsidiary, Commonwealth Annuity and Life Insurance Company, Company ("Commonwealth"). Commonwealth has negative unassigned surplus and while it remains so, Commonwealth must obtain written approval from the Massachusetts Division of Insurance prior to the payment of any dividend or distribution. Without prior regulatory approval, and subject to maintaining certain solvency requirements, Global Atlantic's our U.S. and Bermuda insurance subsidiaries, may declare ordinary dividends or distributions to their holding companies during 2023, 2024, as follows:

|                                                 | Ordinary dividend and distribution capacity |
|-------------------------------------------------|---------------------------------------------|
| (\$ in thousands)                               |                                             |
| <b>U.S. domiciled</b>                           |                                             |
| Commonwealth Annuity and Life Insurance Company | \$ None                                     |
| <b>Bermuda domiciled</b>                        |                                             |
| Global Atlantic Re Limited <sup>(1)</sup>       | \$ 619,408 1,896,922                        |
| Global Atlantic Assurance Limited               | 313,854 266,904                             |

(1) Dividends paid by Global Atlantic Re Limited may be subject to a 30% U.S. withholding tax.

Shareholders' equity of Global Atlantic's our principal U.S.-domiciled insurance subsidiary, Commonwealth Annuity and Life Insurance Company, determined pursuant to statutory accounting rules was approximately \$4.2 billion \$4.3 billion and \$3.8 billion \$4.2 billion as of December 31, 2022 December 31, 2023 and December 31, 2021, 2022, respectively. Statutory surplus computed under those methodologies differ from equity reported in accordance with U.S. GAAP primarily because fixed maturity securities are required to be carried at cost or amortized cost, embedded derivatives on funds withheld reinsurance balances are not recognized, policy acquisition costs are expensed when incurred and asset valuation and interest maintenance reserves are required to be held. Life insurance reserves are calculated based upon different assumptions and the recognition of deferred tax assets is based on different recoverability assumptions.

Combined shareholders' equity of Global Atlantic's our Bermuda-domiciled insurance subsidiaries determined pursuant to statutory accounting rules was approximately \$2.2 billion \$3.4 billion and \$3.1 \$2.2 billion as of December 31, 2022 December 31, 2023 and December 31, 2021, 2022, respectively. Bermuda reinsurers file statutory financial statements with the Bermuda Monetary Authority (the "BMA") that may differ from U.S. GAAP. For example, Bermuda statutory surplus differs from U.S. GAAP primarily due to waivers a modification that permit Global Atlantic's permits our Bermuda insurance subsidiaries (i) to not measure the embedded derivative related to the included within certain funds withheld coinsurance structure agreements at fair value, and (ii) to value certain synthetic funding agreements as an insurance product rather than as a derivative. value.

## Notes to Financial Statements (Continued)

## 27, 26. SUBSEQUENT EVENTS

### Common Stock Dividend

A dividend of \$0.155 \$0.165 per share of common stock of KKR & Co. Inc. has been declared and was announced on February 7, 2023 February 6, 2024. This dividend will be paid on March 7, 2023 March 1, 2024 to common stockholders of record as of the close of business on February 17, 2023 February 16, 2024. Additionally, beginning with the dividend to be announced with the results for of the quarter ending March 31, 2023 March 31, 2024, KKR intends to increase its regular annualized dividend per share of common stock from \$0.62 \$0.66 to \$0.66, \$0.70.

### Preferred Stock Dividends

A dividend of \$0.75 per share of Series C Mandatory Convertible Preferred Stock has been declared and was announced on February 7, 2023 and set aside for payment. This dividend will be paid on March 15, 2023 to holders of record of Series C Mandatory Convertible Preferred Stock as Acquisition of the close Remaining Interests of business on March 1, 2023. Global Atlantic

On January 2, 2024, KKR acquired all of the remaining minority equity interests of Global Atlantic that KKR did not already own. At the closing of the transaction (the "Closing"), Global Atlantic became a wholly-owned subsidiary of KKR. The total cash purchase price for the minority equity interests of Global Atlantic that KKR did not already own was approximately \$2.6 billion, which is subject to certain post-Closing purchase price adjustments. Additionally, in connection with the Closing, certain Global Atlantic employees rolled over a majority of their equity interests in Global Atlantic and received restricted holdings units issued by KKR Holdings III, which are subject to certain post-Closing purchase price adjustments. The outstanding debt securities of Global Atlantic remain solely outstanding obligations of Global Atlantic and were not assumed or guaranteed by other parts of KKR.

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## ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

## ITEM 9A. CONTROLS AND PROCEDURES

### Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that the information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within the time periods

specified in the SEC's rules and forms and such information is accumulated and communicated to management, including the Co-Chief Executive Officers and the Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurances of achieving the desired control objectives.

We carried out an evaluation, under the supervision and with the participation of our management, including the Co-Chief Executive Officers and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of **December 31, 2022** **December 31, 2023**. Based upon that evaluation, our Co-Chief Executive Officers and Chief Financial Officer have concluded that, as of **December 31, 2022** **December 31, 2023**, our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

#### Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) is a process designed by, or under the supervision of, a company's principal executive and principal financial officers and effected by the Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Our management assessed the effectiveness of our internal control over financial reporting as of **December 31, 2022** **December 31, 2023**. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework that was issued in 2013. Based on its assessment, our management has concluded that, as of **December 31, 2022** **December 31, 2023**, our internal control over financial reporting is effective.

#### Changes in Internal Control Over Financial Reporting

No changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act) occurred during the fourth quarter of **2022** **2023** that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

#### Attestation Report of the Independent Registered Public Accounting Firm

Deloitte & Touche LLP, our independent registered public accounting firm that audited our consolidated financial statements included in this report, has issued its attestation report on our internal control over financial reporting, which is included in Financial Statements and Supplementary Data.

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#### ITEM 9B. OTHER INFORMATION

None.

#### ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

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### PART III

#### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

##### Directors and Executive Officers

The following table presents certain information concerning our Board of Directors and executive officers.

| Name                           | Age   | Position(s)                                           |
|--------------------------------|-------|-------------------------------------------------------|
| Henry R. Kravis                | 79 80 | Co-Executive Chairman and Director                    |
| George R. Roberts              | 79 80 | Co-Executive Chairman and Director                    |
| Joseph Y. Bae                  | 51 52 | Co-Chief Executive Officer and Director               |
| Scott C. Nuttall               | 50 51 | Co-Chief Executive Officer and Director               |
| Adriane M. Brown               | 64 65 | Director                                              |
| Matthew R. Cohler              | 45 46 | Director                                              |
| Mary N. Dillon                 | 61 62 | Director                                              |
| Joseph A. Grundfest            | 71    | Director                                              |
| Arturo Gutiérrez Hernández     | 56 57 | Director                                              |
| John B. Hess                   | 68    | Director                                              |
| Dane E. Holmes                 | 52    | Director                                              |
| Raymond J. McGuire             | 66    | Director                                              |
| Xavier B. Niel                 | 55 56 | Director                                              |
| Kimberly A. Ross               | 58    | Director                                              |
| Patricia F. Russo              | 70 71 | Director                                              |
| Robert W. Scully               | 73 74 | Director                                              |
| Evan T. Spiegel                | 32 33 | Director                                              |
| Robert H. Lewin                | 43 44 | Chief Financial Officer                               |
| David J. Sorkin Dane E. Holmes | 63 53 | Chief Legal Administrative Officer                    |
| Ryan D. Stork                  | 51 52 | Chief Operating Officer                               |
| Kathryn K. Sudol               | 48 49 | Chief Legal Officer and General Counsel and Secretary |

**Henry R. Kravis** co-founded KKR in 1976 and serves as our Co-Executive Chairman. Prior to his current position, he was our Co-Chief Executive Officer until October 2021. He is actively involved in managing the firm and serves on each of the regional Private Equity Investment Committees. Mr. Kravis currently serves on the boards of Axel Springer, and ICONIQ Capital, LLC, LLC and Catalio Capital Management, LP. He also serves as a director, chairman emeritus, trustee or trustee executive committee member of several cultural, professional, and educational institutions, including The Business Council (former chairman), Claremont McKenna College, Columbia Business School (co-chairman) (former co-chairman), Mount Sinai Hospital, the Partnership for New York City (former chairman), the Partnership Fund for New York City (founder), Rockefeller University (vice (former vice chairman), and Sponsors for Educational Opportunity (chairman), and the Tsinghua School of Economics and Management in China. He earned a B.A. from Claremont McKenna College in 1967 and an M.B.A. from the Columbia Business School in 1969. Mr. Kravis has more than four decades of experience financing, analyzing, and investing in public and private companies, as well as serving on the boards of a number of KKR portfolio companies. As our Co-Founder, Co-Executive Chairman and former Co-Chief Executive Officer, Mr. Kravis has an intimate knowledge of KKR's business, which allows him to provide insight into various aspects of our business and is of significant value to our Board of Directors. Mr. Kravis and Mr. Roberts are first cousins.

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**George R. Roberts** co-founded KKR in 1976 and serves as our Co-Executive Chairman. Prior to his current position, he was Co-Chief Executive Officer until October 2021. He is actively involved in managing the firm and serves on each of the regional Private Equity Investment Committees. Mr. Roberts has served as a director or trustee of several cultural and educational institutions, including Claremont McKenna College. He is also Founder and Chairman of the board of directors of REDF, a San Francisco nonprofit organization. He earned a B.A. from Claremont McKenna College in 1966 and a J.D. from the University of California (Hastings) Law School in 1969. Mr. Roberts has more than four decades of experience financing, analyzing, and investing in public and private companies, as well as serving on the boards of a number of KKR portfolio companies. As our Co-Founder, Co-Executive Chairman and former Co-Chief Executive Officer, Mr. Roberts has an intimate knowledge of KKR's business, which allows him to provide insight into various aspects of our business and is of significant value to our Board of Directors. Mr. Roberts and Mr. Kravis are first cousins.

**Joseph Y. Bae** joined KKR in 1996 and is our Co-Chief Executive Officer. Prior to his current position, he served as Co-President and Co-Chief Operating Officer from 2017 to 2021, and he has been a member of our Board of Directors since July

2017. Mr. Bae has held numerous leadership roles at KKR. He was the architect of KKR's expansion in Asia, building one of the largest and most successful platforms in the market. In addition to his role developing KKR's Asia-Pacific platform, he has presided over business building in the firm's private markets businesses, which included leading or serving on all of the investment committees and implementing the firm's modern thematic investment approach. Mr. Bae serves on the firm's Inclusion and Diversity Council. He is active in a number of non-profit educational and cultural institutions, including co-founding and serving on the board of The Asian American Foundation, a member of Harvard University's



Global Advisory Council and as a board member of the Lincoln Center. Mr. Bae's intimate knowledge of KKR's business and operations and his experience in a variety of senior leadership roles within KKR provide significant value to our Board of Directors.

**Scott C. Nuttall** joined KKR in 1996 and is our Co-Chief Executive Officer. Prior to his current position, he served as Co-President and Co-Chief Operating Officer from 2017 to 2021, and he has been a member of our Board of Directors since July 2017. Mr. Nuttall has had numerous leadership roles at KKR. He was the architect of the firm's major strategic development initiatives, including leading KKR's public listing, developing the firm's balance sheet strategy, overseeing the development of KKR's Public Markets businesses in the credit and hedge fund space as well as the creation of the firm's capital markets, capital raising and insurance businesses. Mr. Nuttall serves on KKR's Balance Sheet Committee and the firm's Inclusion and Diversity Council. He was a member of the board of directors of Fiserv, Inc. until 2022. He has also served on the boards of various non-profit institutions with a particular focus on education, most recently as Co-Chairman of Teach for America – New York. Mr. Nuttall's intimate knowledge of KKR's business and operations and his experience in a variety of senior leadership roles within KKR provide significant value to our Board of Directors.

**Adriane M. Brown** has been a member of our Board of Directors since June 2021. Ms. Brown joined Flying Fish Ventures, as a Venture Partner in November 2018 and became a Managing Partner of the venture capital firm in February 2021. Prior to that, Ms. Brown served as President and Chief Operating Officer for Intellectual Ventures, an invention and investment company, from January 2010 through July 2017, and served as a Senior Advisor until December 2018. Before joining Intellectual Ventures, Ms. Brown served as President and Chief Executive Officer of Honeywell Transportation Systems. Over the course of 10 years at Honeywell, she held leadership positions serving the aerospace and automotive markets globally. Prior to Honeywell, Ms. Brown spent 19 years at Corning, Inc., ultimately serving as Vice President and General Manager, Environmental Products Division, having started her career there as a shift supervisor. Ms. Brown serves on the boards of directors of American Airlines Group Inc., Axon Enterprise, Inc., e-Bay Inc., and the International Women's Forum. Ms. Brown previously served on the boards of directors of Allergan Plc and Raytheon Company until 2020. Ms. Brown holds a Doctorate of Humane Letters and a bachelor's degree in environmental health from Old Dominion University, and is a winner of its Distinguished Alumni Award. She also holds a master's degree in management from the Massachusetts Institute of Technology where she was a Sloan Fellow. Ms. Brown's leadership in technology businesses and industrial companies as well as her investment and financial experience bring important expertise to the oversight and development of our business.

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**Matthew R. Cohler** has been a member of our Board of Directors since December 2021. **He Mr. Cohler** is a former General Partner at the venture capital firm Benchmark, where for over a decade he led early-stage investments in Internet and software startup businesses. He currently serves as a director and nominating and governance committee member at Asana, as a director and audit committee member at 1stDibs and as a director at several privately held companies. Previously he served as a director, audit committee member and nominating and governance committee member at Domo, as a director and audit committee member at Uber and as a director at privately held companies including Duo Security, Instagram and Tinder. Prior to Benchmark, Mr. Cohler was Vice President at Facebook, where he was the company's seventh employee, and Vice President at LinkedIn, where he was part of the company's founding team. He serves on the board of trustees at Environmental Defense Fund (Vice Chair), on the board of governors at the San Francisco Symphony (Vice President) and on the investment committee at the Chan Zuckerberg Initiative and at the Yale Investments Office. He holds a B.A. from Yale University, cum laude and with distinction in the study of music. Mr. Cohler's knowledge and experience as a venture capitalist and director of multiple leading companies in the technology industry bring to our Board of Directors important insight and perspectives to our business and future development.

**Mary N. Dillon** has been a member of our Board of Directors since September 2018. Ms. Dillon serves as the President and Chief Executive Officer of Foot Locker, Inc. and is a member of its board of directors. Ms. Dillon formerly served as a member of the board of directors of Ulta Beauty, Inc., a beauty products retailer, from 2013 to 2022, and was its Executive Chair from June 2021 through June 2022. From 2013 to June 2021, she was the Chief Executive Officer of Ulta Beauty, and before then she served as President and Chief Executive Officer and member of the board of directors of United States Cellular Corporation, a provider of wireless telecommunication services, from 2010 to 2013. Prior to joining U.S. Cellular, Ms. Dillon served as Global Chief Marketing Officer and Executive Vice President of McDonald's Corporation from 2005 to 2010, where she led its worldwide marketing efforts and global brand strategy. Prior to joining McDonald's, Ms. Dillon held several positions of increasing responsibility at PepsiCo Corporation, including as President of the Quaker Foods division from 2004 to 2005 and as Vice President of Marketing for Gatorade and Quaker Foods from 2002 to 2004. Ms. Dillon served as a director of

Target Corporation from 2007 to 2013 and as a member of its compensation committee from 2009 to 2013. Ms. Dillon joined the board of directors of Starbucks in January 2016 and served as chair of its compensation and management development committee, and as a member of the nominating and corporate governance committee through August 2022. Ms. Dillon provides our Board of Directors with valuable knowledge and insights she gained through her various senior management and leadership roles, including as the chief executive officer of a publicly traded company. In addition, with over 30 years of experience in consumer-driven businesses, Ms. Dillon brings to our Board of Directors her extensive operational and marketing expertise in the retail industry.

**Joseph A. Grundfest** has been a member of our Board of Directors since July 2010. Mr. Grundfest has been a member of the faculty of Stanford Law School since 1990, where he is the William A. Franke Professor of Law and Business (Emeritus). He is also senior faculty of the Arthur and Toni Rembe Rock Center for Corporate Governance at Stanford University; co-director of Directors' College, a venue for the continuing professional education of directors of publicly traded corporations; and co-founder of Financial Engines, Inc., a provider of services and advice to participants in employer-sponsored retirement plans, where he served as a director since its inception in 1996 through 2018. Prior to joining the Stanford Law School faculty, Mr. Grundfest was a Commissioner of the SEC from 1985 to 1990. He holds a B.A. in Economics from Yale University and a J.D. from Stanford Law School. Mr. Grundfest's knowledge and expertise in capital markets, corporate governance, and securities laws provides to our Board of Directors significant value to the oversight and development of our business.

**Arturo Gutiérrez Hernández** has been a member of our Board of Directors since March 2021. Mr. Gutiérrez has served as the Chief Executive Officer of Arca Continental, one of the largest Coca-Cola bottlers in the world, since January 2019. Mr. Gutiérrez held several executive positions in the company from 2001 to 2018, including Deputy Chief

Executive Officer, Chief Operating Officer, Head of the Mexico Beverages Division, Executive Vice President of Human Resources, Director of Corporate Planning and General Counsel. He serves on several boards of industry-related companies, including [Jugos del Valle](#) and [Piasa](#), and he holds positions on several international and national industry councils. He also serves [in national and international chambers, such as on the Nuevo Leon Transformation Industry Chamber](#) [the U.S.-Mexico CEO Dialogue](#) and the [Consumer Goods Forum in Latin America](#). [Coca-Cola Mexico Foundation](#). Mr. Gutiérrez earned a law degree from Escuela Libre de Derecho, in Mexico City, and an L.L.M. from Harvard University, as a Fulbright Scholar. Mr. Gutiérrez provides our Board of Directors with valuable knowledge, perspectives and insights from his leadership of a large multinational business based in Latin America and from his broad experience in various aspects of the consumer staples, including operational, financial, business development and legal areas.

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**John B. Hess** has been a member of our Board of Directors since July 2011. Mr. Hess has been the Chief Executive Officer of Hess Corporation since 1995 and a director since 1978. He serves as a member of the Business Council, the Trilateral Commission and the Council on Foreign Relations and on the executive committee of the American Petroleum Institute and previously served on the Secretary of Energy Advisory Board Quadrennial Review Task Force. Mr. Hess is a member of the board of trustees at the Center for Strategic and International Studies, Mount Sinai Hospital, the Lincoln Center for the Performing Arts and the Dean's Advisors at Harvard Business School, and former Chair of The Harvard Business School Campaign. Mr. Hess earned a B.A. from Harvard College and an M.B.A. from Harvard Business School. Mr. Hess provides significant value to the oversight and development of our business through his management and leadership roles at a global energy business, and his involvement with major businesses and public policy organizations also provides valuable perspectives for our Board of Directors.

**Dane E. Holmes** has been a member of our Board of Directors since March 2021. Mr. Holmes is the Co-Founder, Chairman and Chief Executive Officer of Eskalera, Inc., an enterprise software company that builds inclusive, productive work cultures through talent development and data based insights, since 2020. Prior to Eskalera, Mr. Holmes was the Global Head of Human Capital Management at Goldman Sachs from 2017 to 2019 and served as a member of the firm's Management Committee. He held many positions at Goldman Sachs from 2007 to 2017, including Global Head of Pine Street and Global Head of Investor Relations. During his career, he served on a variety of additional global committees, including Partnership Committee, Risk Committee, Client and Business Standards Committee, Finance Committee, and Global Diversity Committee. Mr. Holmes serves on several non-profit boards. He is currently the Chair of Storycorps and The Ron Brown Scholar Program. Mr. Holmes earned a B.A. from Columbia University. Mr. Holmes provides our Board of Directors with valuable knowledge, perspectives, and insights in the area of human capital management, including advancing diversity and inclusion efforts, as well as financial services, investor relations, capital markets, corporate governance, and risk management.

**Raymond J. McGuire** has been a member of our Board of Directors since June 2022. Most recently, Mr. McGuire served as Vice Chairman of Citigroup from 2018 to 2020. He joined Citigroup in 2005, serving as Global Co-Head of Investment banking from 2005 to 2008, Global Head of Corporate and Investment Banking from 2008 to 2018 and as Vice Chairman from 2018 to 2020. Prior to that, Mr. McGuire served as Global Co-Head of Mergers and Acquisitions at Morgan Stanley from 2003 to 2005 and held various senior roles at Merrill Lynch & Co., Inc., Wasserstein Perella & Co., Inc. and The First Boston Corporation (Credit Suisse). Mr. McGuire has extensive board and committee experience on both corporate and not-for-profit boards. Most recently, he became the Chair of the Regional Plan Association, a non-profit organization, in February 2023, joined the board of directors of Hess Corporation in February 2022 and joined the board of directors of Vornado Realty Trust in March 2022. Formerly, Mr. McGuire served as a director of the Wyeth Corporation and as a member of the nominating and corporate governance committee. Mr. McGuire received his M.B.A. and J.D. from Harvard Business School and Harvard Law School, respectively, and his Bachelor of Arts degree from Harvard College. Mr. McGuire's knowledge, experience and leadership over the last 35 years in the financial services industry and corporate strategy bring important insight and perspectives to our business and future development. In addition, Mr. McGuire provides our Board of Directors with valuable insights, perspectives and knowledge in the area of shared prosperity, racial equality and economic recovery from COVID-19 as a prior 2021 candidate for the mayoralty of New York City.

**Xavier B. Niel** has been a member of our Board of Directors since March 2018. Mr. Niel is the Founder and Chairman of the board of Iliad SA, a French telecommunications company that owns the internet provider Free and the low-cost mobile operator Free Mobile. Mr. Niel also owns majority stakes in telecom operators in various countries. He has been involved in the data communications, internet and telecommunications industry since the late 1980s. In 2010, Mr. Niel founded Kima Ventures SAS, which is an active early-stage investor. In 2013, he created 42, a school that trains computer specialists in France, and in 2017, he opened Station-F, a startup campus located in Paris. Mr. Niel brings significant value to our Board of Directors due to his extensive experience as an entrepreneur who founded multiple companies, in addition to his leadership and technology experience.

**Kimberly A. Ross** has been a member of the Board of Directors since September 2023. Ms. Ross is a member of the board of directors of Nestlé S.A., Northrop Grumman Corporation, and The Cigna Group. Ms. Ross served as Chief Financial Officer of WeWork Inc. from March 2020 through October 2020. Ms. Ross served as Senior Vice President and Chief Financial Officer of Baker Hughes Company, an energy technology company, from September 2014 to July 2017. Before joining Baker Hughes, Ms. Ross served as Executive Vice President and Chief Financial Officer of Avon Products, Inc., a global manufacturer and marketer of beauty and related products, from November 2011 until October 2014. Prior to joining Avon, Ms. Ross served as the Executive Vice President and Chief Financial Officer of Royal Ahold N.V., a food retail company, from 2007 to 2011 and held a variety of senior management positions during her tenure there, which began in 2001. Ms. Ross has significant international business experience through her service as an executive of large public companies with international operations. Ms. Ross also provides our Board of Directors with valuable knowledge and experience in corporate finance, financial planning and analysis, strategy, mergers and acquisitions, corporate restructuring, financial reporting, and internal audit as well as IT operations oversight.

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**Patricia F. Russo** has been a member of our Board of Directors since April 2011. Ms. Russo served as Chief Executive Officer of Alcatel-Lucent from 2006 to 2008. Prior to the merger of Alcatel and Lucent in 2006, she served as Chairman of Lucent Technologies, Inc. from 2003 to 2006, and as President and Chief Executive Officer from 2002 to 2006. Before rejoining Lucent in 2002, Ms. Russo was President and Chief Operating Officer of Eastman Kodak Company from March 2001 to December 2001. She has served as the Chairman of Hewlett Packard Enterprise Company since 2015, and as a director of Merck & Co., Inc. since 2009 and as a director of General Motors Company since 2009, 2009, including as lead independent director from March 2010 to January 2014 and again since June 2021. Prior to its merger with Merck in 2009, Ms. Russo served as a director of



Schering-Plough since 1995, and she served as a director of Hewlett Packard Company from 2011 to November 2015. From November 2016 to May 2018, Ms. Russo also served on the board of Arconic Inc., which separated from Alcoa Inc., where Ms. Russo served as a director from 2008 to November 2016. She graduated from Georgetown University with a bachelor's degree in political science and history, and obtained an Advanced Management Degree from Harvard Business School's Advanced Management Program. Ms. Russo's management and leadership experience as chief executive officer of complex global companies as well as her experience with corporate strategy, mergers and acquisitions, and sales and marketing brings to our Board of Directors important expertise to the oversight and development of our business. Ms. Russo also brings extensive experience in corporate governance as a member of boards and board committees of other public companies.

**Robert W. Scully** has been a member of our Board of Directors since July 2010. Mr. Scully was a member of the Office of the Chairman of Morgan Stanley from 2007 until his retirement in 2009, where he had previously been Co-President of the firm, Chairman of global capital markets and Vice Chairman of investment banking. Prior to joining Morgan Stanley in 1996, he served as a Managing Director at Lehman Brothers and at Salomon Brothers. Mr. Scully has served as a director of Zoetis Inc. since June 2013, Chubb Limited since January 2016, and prior to its acquisition of Chubb Limited, a director of ACE Limited from May 2014 to January 2016. Previously, he was a director of UBS Group AG from May 2016 to April 2020, a director of Bank of America Corporation from August 2009 to May 2013 and a public governor of the Financial Industry Regulatory Authority, Inc. from October 2014 to May 2016. He has also served as a director of GMAC Financial Services and MSCI Inc. He holds an A.B. from Princeton University and an M.B.A. from Harvard Business School. Mr. Scully serves on the board of Teach For All, a global non-profit organization dedicated to developing collective leadership in education and is a member of the Nassau Hall Society at Princeton University. Mr. Scully previously was Chair or Co-Chair of Teach for America, NY for more than a dozen years and served on the Board of Dean's Advisors of Harvard Business School. Mr. Scully's 35-year career in the financial services industry brings to our Board of Directors important expertise to the oversight of our business. In addition, his leadership experience with a global financial services company brings an industry perspective to our business development within and outside the United States as well as issues such as talent development, senior client relationship management, strategic initiatives, risk management and audit and financial reporting.

**Evan T. Spiegel** has been a member of our Board of Directors since October 2021. Mr. Spiegel is the Co-Founder of Snap Inc., a publicly traded technology company that believes the camera represents the greatest opportunity to improve the way that people live and communicate, and has served as its Chief Executive Officer and a member of its board of directors since 2012. In 2017, Mr. Spiegel formed the Spiegel Family Fund, a non-profit humanitarian organization which supports organizations across the arts, education, housing and human rights. Mr. Spiegel currently serves on the boards of directors of Snap Inc. and the Berggruen Institute. Mr. Spiegel holds a bachelor's degree in Engineering, Product Design from Stanford University. Mr. Spiegel's experience as a co-founder and executive of a leading company in technology services brings to our Board of Directors important insight and perspectives to our business and future development.

**Robert H. Lewin** joined KKR in 2004 and is our Chief Financial Officer. Since joining KKR, Mr. Lewin held a number of positions at the firm, including as an investor in private equity, co-leading the firm's credit and capital markets businesses, serving as Treasurer and Head of Corporate Development and most recently as Head of Human Capital & Strategic Talent. From 2006 through 2010, Mr. Lewin resided in Hong Kong, helping to launch KKR's Asia business. Mr. Lewin has a Bachelor of Science from the University of Pennsylvania. He currently serves on the board of Answer the Call, a non-profit organization.

**David J. Sorkin** and **E. Holmes** joined KKR as Chief Administrative Officer in 2007 and is our Chief Legal Officer, 2023. Prior to becoming the Chief Legal Administrative Officer, in September 2022, Mr. Sorkin Holmes was a member of our General Counsel Board of Directors from March 2021 to December 2023. Mr. Holmes was previously the Chairman and Secretary, Chief Executive Officer of Eskalera, Inc., from 2020 to 2023, an enterprise software company he co-founded. Prior to joining KKR, Eskalera, Mr. Sorkin Holmes was the Global Head of Human Capital Management at Goldman Sachs from 2017 to 2019 and served as a partner with Simpson Thacher & Bartlett LLP. Mr. Sorkin serves as President member of the firm's management committee. He held many positions at Goldman Sachs from 2001 to 2017, including global head of investor relations, and Mr. Holmes served on a variety of committees, including its risk committee, client and business standards committee, and global diversity committee. Mr. Holmes serves on several non-profit boards and is currently the chair of Storycorps and the former chair and current board member of directors of New Alternatives for Children, a non-profit organization. He received The Ron Brown Scholar Program. Mr. Holmes earned a B.A., summa cum laude, from Williams College and a J.D., cum laude, from Harvard Law School, Columbia University.

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**Ryan D. Stork** joined KKR in 2022 and is our Chief Operating Officer. Prior to joining KKR, Mr. Stork was at BlackRock Inc. where he held multiple leadership roles for more than 20 years, including most recently as Deputy Chief Operating Officer from 2019 to 2021 and as Chairman of Asia Pacific from 2014 to 2019. Previously, he was also the Global Head of Aladdin – BlackRock's investment and risk management technology platform, Head of the Institutional Client Business in Continental Europe, and Co-Head of the Financial Institutions Group. He was also a member of BlackRock's Global Executive Committee and a board member of BlackRock's Foundation. Prior to joining BlackRock, Ryan worked at PennCorp Financial Group, Conning Asset Management, and The Travelers Insurance Companies. Mr. Stork received a BBA in Finance & Accounting from the University of Massachusetts, Amherst.

**Kathryn K. Sudol** joined KKR in 2022 and is our Chief Legal Officer and General Counsel. Prior to her current position, she served as KKR's General Counsel from September 2022 through March 2023 and Secretary, its Secretary from September 2022 through June 2023. Prior to joining KKR, Ms. Sudol was a partner with Simpson Thacher & Bartlett LLP for 24 years where she held numerous leadership roles, including as Global Co-Head of Mergers & Acquisitions, a long-time member of the firm's Executive Committee and head of the firm's M&A practice in Asia from 2010 through 2018. Ms. Sudol currently serves as a member of the Board of Trustees of New York University School of Law. She earned a B.S., with honors, from Northwestern University and a J.D. from New York University School of Law.

## Independence and Composition of the Board of Directors

Our Board of Directors consists of sixteen thirteen directors, twelve nine of whom, Messrs. Cohler, Grundfest, Gutiérrez, Hess, Holmes, McGuire, Niel, Scully and Spiegel and Meses. Brown, Dillon, Ross and Russo, are independent under NYSE rules relating to corporate governance matters and the independence standards described in our corporate governance guidelines.

Because the Series I preferred stockholder has more than 50% of the voting power for the election of our directors, we are a "controlled company" within the meaning of the corporate governance standards of the NYSE. Under these standards, a "controlled company" may elect not to comply with certain corporate governance standards, including the requirements (1) that a majority of its board of directors consist of independent directors, (2) that its board of directors have a compensation committee that is comprised entirely of independent directors with a written charter addressing the committee's purpose and responsibilities and (3) that its board of directors have a nominating and corporate governance committee that is comprised entirely of independent directors with a written charter addressing the committee's purpose and responsibilities. We currently utilize the second and third of these exemptions. See "Risk Factors—Risks Related to Our Common Stock—Organizational Structure—As a controlled company," we qualify for some exemptions from the corporate governance and other requirements of the NYSE. NYSE and are not required to comply with certain provisions of U.S. securities laws." While we are exempt from NYSE rules relating to board independence, we intend to maintain a board of directors that consists of at least a majority of directors who are independent under NYSE rules. In the event that we cease to be a "controlled company" and our shares of common stock continue to be listed on the NYSE, we will be required to comply with these provisions within the applicable transition periods. In connection with the Reorganization Agreement, at a future date not to be later than December 2026 and subject to the satisfaction of certain conditions, we expect to no longer be a "controlled company," and thereafter we expect to comply with all of the then existing NYSE rules regarding corporate governance. For more information, see also "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement."

In addition, our Board of Directors has considered transactions and relationships between KKR and the companies and organizations on whose boards or other similar governing bodies where our independent directors also serve or where our independent directors serve as executive officers, including investments made by such companies in the portfolio companies in which KKR or its funds are invested, and certain personal investments made by our independent directors in companies in which certain of our executive officers have also invested. It was determined that none of these transactions or relationships adversely impacted the independence of our independent directors.

We seek to enhance the diversity of our Board of Directors to encompass a broad range of expertise, experience and backgrounds. We believe that a diverse board of directors can strengthen the board's effectiveness in fulfilling its oversight role. Among our sixteen thirteen directors on our Board of Directors, three four of our directors have self-identified as women, and five three of our directors have self-identified as non-white.

### Board Committees

Our Board of Directors has four five standing committees: an Audit Committee, a Risk Committee, a Conflicts Committee, a Nominating and Corporate Governance Committee and an Executive Committee. Because we are a "controlled company," our Board of Directors is not required by NYSE rules to establish a Compensation Committee or a Nominating and Corporate Governance Committee or to meet certain other substantive NYSE corporate governance requirements until the consummation of all the transactions contemplated by the Reorganization Agreement. For more information about the transactions contemplated by the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization

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Agreement." While the Board of Directors has established a Nominating and Corporate Governance Committee, we currently rely on available exemptions concerning the committee's composition and mandate.

### Audit Committee

The Audit Committee consists of Messrs. Grundfest Scully (Chair), Holmes and McGuire, Cohler and Ms. Russo. The purpose of the Audit Committee is to provide assistance to the Board of Directors in fulfilling its responsibility with respect to its oversight of: (i) the quality and integrity of our financial statements, including investment valuations; (ii) our compliance with legal and regulatory requirements; (iii) our independent registered public accounting firm's qualifications, independence and performance; and (iv) the performance of our internal audit function. The members of the Audit Committee meet the independence standards and financial literacy requirements for service on an Audit Committee of a Board of Directors pursuant to the Exchange Act and NYSE rules applicable to audit committees. Our Board of Directors has determined that each of Messrs. Grundfest, Holmes Scully and McGuire Cohler and Ms. Russo is an "audit committee financial expert" within the meaning of Item 407(d)(5) of Regulation S-K. The Audit Committee has a charter, which is available on our website at [www.kkr.com](http://www.kkr.com) under the corporate governance page for our stockholders at the "Investor Center" section.

### Risk Committee

The Risk Committee consists of Mr. Cohler (Chair) and Meses. Brown and Dillon. The purpose of the Risk Committee is to provide assistance to the Board of Directors with respect to its oversight of KKR's levels of risk, risk assessment and risk management, and its oversight of KKR's overall risk management framework, including monitoring KKR's reporting systems for compliance with legal and regulatory requirements.

### Conflicts Committee

The Conflicts Committee consists of Messrs. Scully (Chair) and Gutierrez and Meses. Dillon and Russo. The Conflicts Committee is responsible for reviewing specific matters that the Board of Directors believes may involve a conflict of interest and for enforcing our rights under any of the tax receivable agreement, the limited partnership agreement of KKR Group Partnership, our certificate of incorporation, our bylaws (collectively, the "covered agreements") against the former partners of KKR Holdings or the current or former partner of KKR Associates Holdings and the exchange agreement. The Conflicts Committee is also authorized to take any action pursuant to any authority or rights granted to such

committee under any covered agreement or with respect to any amendment, supplement, modification or waiver to any such agreement that would purport to modify such authority or rights. In addition, the Conflicts Committee shall approve any amendment to any of the covered agreements that in the reasonable judgment of our Board of Directors is, or will result in, a conflict of interest. The Conflicts Committee will determine if the resolution of any conflict of interest submitted to it is fair and reasonable to us. The Conflicts Committee may review and approve any related person transactions, other than those that are approved pursuant to our related person policy, as described under "Certain Relationships and Related Transactions, and Director Independence—Statement of Policy Regarding Transactions with Related Persons," and may establish guidelines or rules to cover specific categories of transactions. The members of the Conflicts Committee meet the independence standards under our corporate governance guidelines as required for service on the committee in accordance with its charter.

#### *Nominating and Corporate Governance Committee*

The Nominating and Corporate Governance Committee consists of Messrs. Kravis (Co-Chair), Roberts (Co-Chair) and Scully. The Nominating and Corporate Governance Committee is responsible for identifying and recommending candidates for appointment to the Board of Directors and for assisting and advising the Board of Directors with respect to matters relating to the general operation of the Board of Directors and corporate governance matters. Mr. Scully meets the independence standards under the rules of the NYSE as required for service on the Nominating and Corporate Governance Committee in accordance with its charter.

#### *Executive Committee*

The Executive Committee consists of Messrs. Kravis and Roberts. The purpose of the Executive Committee is to act, when necessary, in place of the full Board of Directors during periods in which the Board of Directors is not in session or with respect to matters delegated to the committee, which includes oversight of our Equity Plans. The Executive Committee is authorized and empowered to act as if it were the full Board of Directors in overseeing our business and affairs, except that it is not authorized or empowered to take actions that have been specifically delegated to other board committees or to take actions with respect to: (i) the declaration of dividends on our common stock; (ii) a merger or consolidation of us with or into another entity; (iii) a sale, lease or exchange of all or substantially all of our assets; (iv) a liquidation or dissolution of us; (v) any action that must be submitted to a vote of the Series I preferred stockholder or our stockholders; or (vi) any action that may not be delegated to a board committee under our certificate of incorporation, our bylaws or the DGCL.

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### **Code of Business Conduct and Ethics**

We have a Code of Business Conduct and Ethics that applies to our principal executive directors, officers principal financial officer and principal accounting officer employees, and is available on our website at [www.kkr.com](http://www.kkr.com) [ir.kkr.com](http://ir.kkr.com) under the corporate governance page for our stockholders at the "Investor Center" "Environmental, Social & Corporate Governance" section. In accordance with, and to the extent required by the rules and regulations of the SEC, we intend to disclose any amendment to or waiver of the Code of Business Conduct and Ethics on behalf of an executive officer or director either on our website or in a Current Report on Form 8-K filing.

### **Corporate Governance Guidelines**

Our Board of Directors has a governance policy, which addresses matters such as the Board of Directors' responsibilities and duties, the Board of Directors' composition and compensation and director independence. The governance guidelines are available on our website at [www.kkr.com](http://www.kkr.com) under corporate governance section for our stockholders at the "Investor Center" section.

### **Communications to the Board of Directors**

The non-executive members of our Board of Directors meet regularly. At each meeting of the non-executive members, the non-executive directors choose a director to lead the meeting. All interested parties, including any employee or stockholder, may send communications to the non-executive members of our Board of Directors by writing to: Investor Relations, KKR & Co. Inc., 30 Hudson Yards, New York, New York 10001.

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## **ITEM 11. EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

#### *Compensation Philosophy*

In general, our compensation program for our employees has three primary objectives: (1) to attract, motivate and retain them, (2) to align their interests with those of our stockholders and other stakeholders and (3) to reinforce our culture and values.

**Our employees.** Our business is dependent on the services of our employees, including our named executive officers. Among other things, we depend on their ability, where applicable, to find, select and execute investments, manage and improve portfolio company operations, find and develop relationships with fund investors and other sources of

capital, find, select and execute capital markets opportunities, and operate our various businesses, and we cannot compete effectively without their continued employment with us. Therefore, it is important that our key employees are compensated in a manner that motivates them to excel consistently and encourages them to remain with the firm.

**Alignment of interests.** Management equity ownership in the businesses in which we invest has been a guiding principle throughout our firm's history, and we apply that principle to ourselves: every senior employee of the firm is expected to have an equity interest in KKR. This equity ownership serves to align the interests of our senior employees, including our named executive officers, with those of our stockholders. In addition, because we invest in and alongside our investment funds and have a carry pool from which we can allocate to our senior employees 40%, 43% or 65%, as applicable, a portion of the carried interest that we generate through our business, we believe that our senior employees' interests are also aligned with those of our investors in the funds, vehicles and accounts that we manage, which in turn benefits our stockholders. Moreover, senior Global Atlantic employees have equity interests based on the long term performance of Global Atlantic, which we believe aligns their interests with those of its various stakeholders.

**Culture and values.** One of our most important values for our senior employees is our "one firm" approach with shared responsibility and success, and we also subscribe to a culture of meritocracy and fairness. Therefore, compensation for our senior employees is based on the performance of the firm as a whole as well as on an individual's contributions to the firm. For example, we generally do not compensate our senior employees based merely on an individual's accomplishments in relation to the profits and losses of his or her business unit. In addition, we conduct, at least annually, an evaluation process based on input from a wide range of persons regarding each employee's contribution to the firm, including his or her commitment to the firm's culture and values. We believe that using this kind of evaluation process also promotes a measure of objectivity as a balance to a single manager's judgment.

**Named Executive Officers.** We refer to our two Co-Executive Chairmen (Henry Kravis and George Roberts), our two Co-Chief Executive Officers (Joseph Bae and Scott Nuttall), our Chief Financial Officer (Robert Lewin), and our General Counsel and Secretary (Kathryn King Sudol) Chief Administrative Officer (Dane Holmes), as our "named executive officers" for the year ended December 31, 2022 December 31, 2023. Ms. Sudol joined us in September 2022 and succeeded David Sorkin, who became our Chief Legal Officer. Ms. Sudol will Mr. Holmes become our Chief Legal Administrative Officer as of April 1, 2023 December 29, 2023. Our hiring and compensation determinations for Mr. Holmes took into account the fact that Ms. Sudol is a leading corporate mergers Mr. Holmes has extensive experience in leadership and acquisitions management roles in the financial services, including as the global head of human capital management at Goldman Sachs and private equity lawyer who joined us from Simpson Thacher & Bartlett LLP, a nationally recognized law firm, and that she had worked extensively with KKR while at Simpson Thacher. During her 24-year in numerous other leadership roles during his 12-year career at Simpson Thacher, Ms. Sudol held a number the firm. Our determinations also took into account Mr. Holmes' understanding of leadership roles, including our business from his time serving as Global Co-Head an independent director of Mergers KKR & Acquisitions, a long time member of its Executive Committee, and head of its mergers and acquisitions practice in Asia from 2010 through 2018.

**Co. Inc.** We believe that the elements of compensation discussed below for our named executive officers serve these primary objectives. We are not neither required to conduct say-on-pay or say-on-frequency votes nor to provide disclosures relating to pay-versus-performance under the Dodd-Frank Act. However, we intend periodically to review the elements of our compensation, and we may make changes to the compensation structure relating to one or more named executive officers based on the outcome of such reviews from time to time.

## Compensation Elements

### Base Salary

For 2022, 2023, Messrs. Kravis, Roberts, Bae, Nuttall, and Lewin and Ms. Sudol Holmes were each paid an annual salary of \$300,000 (which was pro-rated for Ms. Sudol) Mr. Holmes and which excludes his fees received as an independent director of KKR & Co. Inc.). We believe that the base salary of our named executive officers should typically not be the most significant component of total compensation. Our Co-Executive Chairmen determined that \$300,000 is a sufficient minimum base salary for our named executive officers.

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### Year-End Bonus Compensation

Our Co-Executive Chairmen did not receive any year-end cash bonus compensation in 2022, 2023. They have decided at this time not to receive any year-end cash bonus compensation, which permits our firm to make greater year-end cash bonus payments to our other employees in order to motivate and retain them for the benefit of the firm. See "— Other Compensation" below for certain incidental benefits provided to them by the firm. In 2023, our Chief Administrative Officer did not receive any year-end cash bonus compensation as his employment with us began on December 29, 2023.

In 2022, 2023, our Co-Chief Executive Officers were awarded year-end cash compensation as bonus payments that were determined by our Co-Executive Chairmen. In 2022, 2023, our Chief Financial Officer and our General Counsel were was awarded year-end cash compensation as bonus payments that were determined by our Co-Chief Executive Officers.

With respect to our named executive officers (other than our Co-Executive Chairmen), who received year-end cash bonus compensation, certain factors that were considered when determining the size of their bonus payments include (i) their respective contributions and accomplishments in 2022 2023 in terms of driving commercial results for the firm, leading and managing people, and living the firm's values; (ii) their respective performance and contributions relative to other senior employees at the firm; and (iii) their respective performance and contributions in 2022 2023 as compared to the prior year; and (iv) the overall financial performance of year.

Although the firm benefited from an increase in 2022 fee related earnings, the investment environment for realizations and monetizations resulted in lower carried interest and realized investment income in 2023. In particular, the firm's total asset management segment revenues were down 18% in 2023 as compared to the prior year, taking into account difficult global and regional market and economic conditions, based on certain financial measures considered by management, including but not limited to fee-related earnings. These factors are less relevant for our General Counsel, because she joined the firm in September 2022.

More specifically, In addition, in assessing the contributions by our Co-Chief Executive Officers, their joint leadership of the firm and their day-to-day management of the firm's business were considered. In assessing our Chief Financial Officer, our Co-Chief Executive Officers considered his service as the Chief Financial Officer and his leadership and

oversight of our finance, tax and accounting functions and related operations and his role with respect to strategic initiatives undertaken by the firm. In assessing our General Counsel's contributions, consideration was given to the successful start in her new role at KKR and anticipated performance with respect to operational and strategic goals, compensation of individuals in similar roles, and comparable firms and her leadership and oversight of our global legal, compliance, enterprise risk and internal audit functions, as well as her contributions in 2022 to strategic initiatives undertaken by the firm.

The firm experienced the impact of difficult global and regional market and economic conditions in 2022. Nevertheless, the firm's management fees, fee related earnings, assets under management, and fee paying assets under management were higher in 2022 as compared to 2021. Based on the firm's 2022 2023 results and the individual contributions described above, our Co-Executive Chairmen determined the aggregate size of the bonus payments to our Co-Chief Executive Officers, and our Co-Chief Executive Officers determined the aggregate size of the bonus payments payment to our Chief Financial Officer and our General Counsel, Officer. In making these determinations, our Co-Executive Chairmen and Co-Chief Executive Officers also considered the feedback from other employees. We believe that the discretion given to our Co-Executive Chairmen and Co-Chief Executive Officers permits them to award bonus compensation in an amount they determine to be necessary to motivate and retain these named executive officers.

The cash bonus amounts paid to our Co-Chief Executive Officers and Chief Financial Officer and General Counsel for 2022 2023 are reflected in the Bonus column of the 2022 2023 Summary Compensation Table below. KKR currently intends that no additional equity incentive awards will be granted to Messrs. Bae and Nuttall during the five years following the grants they received in December 2021. Otherwise As noted above, our Chief Administrative Officer did not receive a grant of equity awards could be made to our named executive officers after the date of this report. cash bonus.

#### *Incentive Equity Awards*

From time to time, we may grant equity awards consisting of restricted holdings units, units from our 2019 Equity Incentive Plan. Restricted holdings units are equity awards issued under our 2019 Equity Incentive Plan and that provide the recipient with the right to exchange them on a one-for-one basis for our common stock after vesting and subject to satisfying certain other conditions. The overall objectives of these grants are principally to incentivize our most senior employees, to align their interests with those of our stockholders, and to retain them by providing meaningful long-term economic incentives. These awards were not designed to be a regularly recurring equity grant as part of an annual year-end compensation program. KKR currently intends that no additional equity incentive awards will be granted to Messrs. Bae and Nuttall during the five years following the grants they received in December 2021.

In October 2022, August 2023, we granted Ms. Sudol 200,000 restricted holdings units with time-based vesting conditions, which provide for vesting in five equal installments beginning April 1, 2023 through April 1, 2027, subject to her continued service through each vesting date, subject to certain exceptions. We also granted Ms. Sudol 200,000 Mr. Lewin 500,000 restricted holdings units with market price and cliff service vesting conditions, which provide for vesting based on average prices of common stock ranging from \$75 \$95.80 to \$115 and Ms. Sudol's continued service to April 1, 2027, subject to certain exceptions, \$135.80 divided into five equal increments. Tranches of these restricted holdings units become eligible to vest in 20% increments upon the average closing price of KKR common stock during 20 consecutive trading days meeting or exceeding the specified stock price targets, of which none have had been achieved as of December 31, 2022 December 31, 2023. In addition to the market price vesting condition, in order for Mr. Lewin's restricted holdings units to vest, he must be employed by us on December 31, 2028, subject to certain exceptions (including continued service if the market price vesting conditions are satisfied between December 31, 2028 and December 31, 2029). These restricted holdings units are subject to one- and two-year transfer restrictions after vesting and are subject to minimum retained ownership requirements.

In December 2023, we granted Mr. Holmes 200,000 restricted holdings units with market price and cliff service vesting conditions on the same terms as Mr. Lewin's grant described immediately above. In December 2023, we also granted Mr.

[Table](#) Holmes 200,000 restricted units, which will vest in six equal installments commencing on October 1, 2024 and then each May 1st from May 1, 2025 through May 1, 2029, subject to continued service through each respective vesting date. [All of Contents](#)

these restricted holdings units are subject to one- and two-year transfer restrictions after vesting and are subject to minimum retained ownership requirements.

Although, we have not recently granted year-end equity awards to our executive officers annually, we may make such equity grants from time to time. For example, certain named executive officers received long-term incentive equity awards and equity awards with respect to year-end compensation in 2021.

See also "Narrative"—Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards [Table](#), [Table](#).

#### *Carried Interest*

We allocate As of December 31, 2023, the carry pool percentage was fixed at 40%, 43% or 65% by investment fund, depending on the fund's vintage. For funds that closed after December 31, 2020 but before December 31, 2023, as applicable, of the carried interest carry pool percentage was fixed at 65%. For all funds that we earn closed after June 30, 2017 but before December 31, 2020, the carry pool percentage was fixed at 43%, and the carry pool percentage was fixed at 40% for older funds that contributed to KKR's carry pool. Effective January 2, 2024, KKR is authorized to apply a carry pool from which percentage in excess of these fixed percentages of up to 80% for all funds. As of the date of this filing, no carry pool percentage has been changed for our employees are eligible to receive a carried interest allocation. In February 2021, upon receipt of approval from a committee representing a majority of our independent directors, we amended the percentage of carried interest funds that is allocable have closed on or before December 31, 2023. This increase to the carry pool to 65% for recently formed funds percentage was approved by a majority of KKR's independent directors, and future funds, while for older funds, it remains 40% or 43%, as applicable. The percentage of carried interest allocable to the carry pool percentage may not be increased only with above 80% without the further approval of a majority of our KKR's independent directors. Carry pool allocations for the named executive officers are made by first determining a total dollar value for the named executive officer's interest in the carry pool. Due to our Co-Executive Chairmen's unique status as Co-Founders of our firm, our Co-Founders determine their own allocation from the carry pool, subject to changes on relating to the Sunset Date (which will occur no later than December 31, 2026) as described below. To make the total dollar value determination for the other named executive officers, our Co-Founders take into consideration the executive officer's involvement with investments and impact on the portfolio, the size of the executive officer's bonus as well as the recommendations by our Co-Chief Executive Officers and other factors similar to those considered when determining the size of the bonus, as described under "—Executive Compensation—Compensation Elements—Year-End Bonus Compensation." However, the total dollar value available to be allocated to the named executive officers and other employees is limited by the total amount of investments made by our investment funds during the fiscal year, and executive officers and other employees may not be allocated any dollar value of carry in any given year. For our certain older funds, carry pool allocations were determined based on a percentage applied on an investment-by-investment basis. After a total dollar value, if any, for each named executive officer is was determined, such dollar value was then divided by the total allocable dollar



value of investments made by our funds for the year, which yielded a certain percentage for the named executive officer. This percentage **is was** then applied consistently to each investment made during the year. Because the size of each investment **is was** different, the nominal amount of the carry pool allocation **may differ have differed** by investment, although the percentage applied to each investment is consistent. For our **more** recent funds, carry pool allocations are determined based on a percentage applied on a fund-by-fund basis. The dollar value, if any, for each named executive officer is determined and then allocated to the applicable funds, and such dollar value is then divided by the total allocable dollar value of investments made by that fund for the year to yield a percentage for that particular fund. If carry is paid prior to the end of a fund's investment period, this percentage is applied at that time. At the end of the investment period, an adjustment would be made to account for any difference in percentages applied at the times carry was paid during the investment period (taking vesting into account) and the percentage determined for a particular fund based on the total dollar values allocated to the named executive officer for such fund divided by the total allocable dollars invested during the entire investment period of such fund. The carried interest allocated to the carry pool is maintained and administered by **KKR Associates Holdings**, which is not currently a subsidiary of ours. On the Sunset Date, KKR will acquire control of **KKR Associates Holdings** and will commence making decisions regarding the allocation of carried interest pursuant to the limited partnership agreement of **KKR Associates Holdings**. Until the Sunset Date, our Co-Founders will continue to make decisions regarding the allocation of carried interest to themselves and others, pursuant to the limited partnership agreement of **KKR Associates Holdings**, provided that any allocation of carried interest to the Co-Founders will be on a percentage basis consistent with past practice. For more information see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement," "Certain Defined Terms Used in this Report" and "Business—Organizational Structure" in this report.

Carried interest, if any, from the carry pool in respect of any particular investment or fund is only paid in cash after all of the following are met: (i) a realization event has occurred (e.g., sale of a portfolio company, dividend, etc.); (ii) the vehicle has achieved positive overall investment returns since its inception, in excess of performance hurdles where applicable, and is accruing carried interest; and (iii) with respect to investments with a fair value below cost, cost has been returned to fund investors in an amount sufficient to reduce remaining cost to the investments' fair value. To the extent any "clawback" obligation is triggered, carried interest previously distributed by the fund would have to be returned to such fund, thereby reducing the named executive officer's overall compensation for any such year. A portion of certain carried interest payable is generally not distributed to the recipient and is instead held in escrow in the recipient's name in order to enhance the recipient's ability to satisfy any future clawback obligation. Because the amount of carried interest payable is directly tied to the realized performance of the underlying investments, we believe this fosters a strong alignment of interests among the investors in those funds and the named executive officers, and thus benefits our stockholders. In addition, several of our competitors use participation in carried interest as an important incentive, and we believe that we must do the same in order to attract and retain the most qualified senior employees.

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Participation in our carry pool for our senior employees, including our named executive officers, is subject only to service-based vesting with certain exceptions, including additional vesting upon death, disability or certain retirement events. In general, the vesting for carry pool allocations is over a four-year period (other than for our Co-Founders). Vesting serves as an employment retention mechanism and enhances the alignment of interests between a participant in our carry pool and the firm as well as the limited partners in our investment funds. Due to our Co-Executive Chairmen's status as Co-Founders of our firm, our Co-Founders are typically completely vested in their carry pool allocations upon grant.

Carry pool allocations after December 31, 2018, whether or not vested, are subject to forfeiture if the recipient violates his or her confidentiality and restrictive covenant agreement. See "—Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards—Terms of Confidentiality and Restrictive Covenant Agreements."

#### *Other Compensation*

We have a program to match certain charitable donations made by our senior employees, including our executive officers, and we also pay for certain miscellaneous benefits for them, including tax preparation and financial planning services. In addition, our Co-Executive Chairmen are reimbursed by us for the use of a car and driver, and we pay for the compensation of certain personnel who administer personal matters for them. We believe that these benefits are appropriate in light of the time that they spend on our business, the limited compensation paid by us for their services and their unique status as Co-Founders of our firm.

#### **Minimum Retained Ownership**

While employed by us, unless waived in whole or in part, each of our named executive officers is required to hold at least 25% of the cumulative amount of restricted holdings units that have satisfied the vesting conditions during the duration of his or her employment with the firm. **In addition, unless waived in whole or in part, each of our named executive officers may be required, on a grant by grant basis, to hold shares of our common stock equivalents of 15% of the cumulative restricted stock units granted under our Equity Incentive Plans that have satisfied the applicable vesting condition during the duration of his or her employment with the firm.** From time to time, the transfer restrictions and minimum retained ownership requirements applicable to any restricted stock units (which term includes the transfer-restricted shares of common stock that may have been delivered upon settlement of such restricted stock units) granted to certain **employees, including** of our named executive officers **in the past** have been and may be transferred to such employees' **other** restricted holdings units **or common stock**, if any, so that the total units or shares of equity subject to transfer restrictions and minimum retained ownership requirements are expected to be the same, unless waived.

#### **Compensation and Risk**

Our compensation program includes elements that we believe discourage excessive risk-taking and align the compensation of our employees with the long-term performance of the firm. For example, all compensation elements are allocated at the discretion of our firm or by our Co-Executive Chairmen or our Co-Chief Executive Officers based on the considerations described above, and a significant majority of the equity awards granted to our employees are subject to a multi-year vesting conditions, one- and two-year post-vesting transfer restriction periods and/or a minimum retained ownership requirement and subject to forfeiture in connection with the breach of certain restrictive covenant obligations. Because our equity awards typically have multi-year vesting provisions, the actual amount of compensation realized by the recipient will be tied to the long-term performance of our common stock. Pursuant to our internal policies, our employees are not permitted to buy or sell derivative securities, including for hedging purposes, or to engage in short-selling to hedge their economic risk of ownership. In addition, we only make cash payments of carried interest to our employees when profitable investments have been realized and after sufficient cash has been distributed to the investors in our funds. Moreover, the general partner of a fund is required to return carried interest distributions to the fund due to, for example, underperformance by the relevant fund subsequent to the payment of such carried interest. Accordingly, the employees would be subject to a "clawback," i.e., be required to return carried interest payments previously made, all of which further discourages excessive risk-taking by our personnel.

**2022**

## 2023 Summary Compensation Table

The following table presents summary information concerning compensation that was paid for services rendered by our named executive officers during the fiscal years ended December 31, 2020, December 31, 2021, 2022 and 2023.

In 2020, 2021, 2022 and 2023, our named executive officers received distributions from KKR Holdings, as well as dividends on shares of common stock they hold. Because these distributions and dividends are not considered to be compensation, they are not reflected as compensation in the table below. Distributions from KKR Holdings prior to its acquisition by KKR in May 2021 are also not included in the Compensation table below. There are certain contractual arrangements we entered into with KKR Holdings in October 2009 and thereafter, including a tax receivable agreement, which relate to payments to our named executive officers that are not compensatory and are described in "Certain Relationships and Related Transactions, and Director Independence."

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Carried interest distributions to our named executive officers in respect of from the carry pool for the years ended December 31, 2020, December 31, 2021, 2022 and 2023 are reflected in the All Other Compensation column in the table below.

| Name and Principal Position     | Year | Salary (\$) | Bonus (\$) | Stock Awards (\$) <sup>(1)</sup> | All Other Compensation (\$) <sup>(2)</sup> | Total (\$)  |
|---------------------------------|------|-------------|------------|----------------------------------|--------------------------------------------|-------------|
| Henry R. Kravis                 | 2022 | 300,000     | —          | 29,991,767                       | 78,055,688 <sup>(3)</sup>                  | 108,347,455 |
| Co-Executive Chairman           | 2021 | 300,000     | —          | —                                | 67,154,677                                 | 67,454,677  |
|                                 | 2020 | 75,000      | —          | —                                | 41,936,119                                 | 42,011,119  |
| George R. Roberts               | 2022 | 300,000     | —          | 29,991,711                       | 78,017,254 <sup>(4)</sup>                  | 108,308,965 |
| Co-Executive Chairman           | 2021 | 300,000     | —          | —                                | 67,209,901                                 | 67,509,901  |
|                                 | 2020 | 75,000      | —          | —                                | 41,937,533                                 | 42,012,533  |
| Joseph Y. Bae                   | 2022 | 300,000     | 19,350,000 | —                                | 60,349,836 <sup>(5)</sup>                  | 79,999,836  |
| Co-Chief Executive Officer      | 2021 | 300,000     | 24,700,000 | 476,261,500                      | 58,374,648                                 | 559,636,148 |
|                                 | 2020 | 75,000      | —          | —                                | 35,729,288                                 | 35,804,288  |
| Scott C. Nuttall                | 2022 | 300,000     | 19,350,000 | —                                | 58,618,684 <sup>(6)</sup>                  | 78,268,684  |
| Co-Chief Executive Officer      | 2021 | 300,000     | 24,700,000 | 442,161,500                      | 55,980,932                                 | 523,142,432 |
|                                 | 2020 | 75,000      | —          | —                                | 36,123,519                                 | 36,198,519  |
| Robert H. Lewin                 | 2022 | 300,000     | 5,950,000  | —                                | 8,178,845 <sup>(7)</sup>                   | 14,428,845  |
| Chief Financial Officer         | 2021 | 300,000     | 6,450,000  | 30,690,000                       | 8,585,091                                  | 46,025,091  |
|                                 | 2020 | 300,000     | 3,450,000  | —                                | 4,773,493                                  | 8,523,493   |
| Kathryn K. Sudol <sup>(8)</sup> | 2022 | 96,591      | 4,066,667  | 14,434,000                       | 50,000 <sup>(9)</sup>                      | 18,647,258  |
| General Counsel and Secretary   |      |             |            |                                  |                                            |             |

- (1) Stock awards reflected in the table above for each year presented represent the value of the restricted holdings units and KKR Holdings Units granted in such reporting period. Fair value of the restricted holdings units and KKR Holdings Units granted to our named executive officers are calculated in accordance with Accounting Standards Codification Topic 718, Compensation-Stock Compensation ("ASC Topic 718"). See Note 20 "Equity Based Compensation" in our consolidated financial statements included elsewhere in this report for additional information about the valuation assumptions with respect to all grants reflected in this column. These amounts reflect the aggregate grant date fair values calculated under ASC Topic 718, and may not correspond to the actual value that will be recognized by our named executive officers.
- (2) Carried interest is presented on the basis of cash received by our named executive officers in the respective fiscal year. We believe that presenting actual cash received by our named executive officers is a more representative disclosure of their compensation than presenting accrued carried interest, because carried interest is paid only if and when there are profitable realization events relating to the underlying investments. Carried interest also includes amounts retained and allocated for distribution to the respective named executive officer, but not yet distributed to the named executive officer, which could be used to fund potential future clawback obligations if any were to arise.
- (3) Consists of \$77,209,995 in cash payments of carried interest from the carry pool during 2022. For 2022, also consists of the following payments made by KKR (unless otherwise noted): \$162,901 related to the cost of Mr. Kravis' use of a car and driver during 2022; \$607,792 related to certain personnel who administer personal matters for Mr. Kravis during 2022 (the entire cost of which is reported, because we do not separately track whether their time is spent for business or personal reasons); \$25,000 related to financial planning services fees; \$25,000 related to tax preparation fees; \$15,000 of matching charitable donations; and up to \$10,000 of other miscellaneous benefits. SEC rules require that transportation and other expenses not directly and integrally related to our business be disclosed as compensation to Mr. Kravis. KKR also paid certain amounts for the use for KKR business of aircraft owned by an entity controlled by Mr. Kravis as described in "Certain Relationships and Related Party Transactions, Director Independence – Firm Use of Private Aircraft." From time to time, family members and other personal guests of Mr. Kravis may accompany him on such flights or otherwise on business travel, for which KKR incurs no incremental cost.

(4) Consists of \$77,210,020 in cash payments of carried interest from the carry pool during 2022. For 2022, also consists of the following payments made by KKR (unless otherwise noted): \$179,815 related to the cost of Mr. Roberts's use of a car and driver during 2022; \$541,419 related to certain personnel who administer personal matters for Mr. Roberts during 2022 (the entire cost of which is reported, because we do not separately track whether their time is spent for business or personal reasons); \$25,000 related to financial planning services fees; \$25,000 related to tax preparation fees; \$26,000 of matching charitable donations; and up to \$10,000 of other miscellaneous benefits. SEC rules require that transportation and other expenses not directly and integrally related to our business be disclosed as compensation to Mr. Roberts. KKR also paid certain amounts for the use for KKR business of aircraft owned by an entity controlled by Mr. Roberts as described in "Certain Relationships and Related Party Transactions, Director Independence – Firm Use of Private Aircraft." From time to time, family members and other personal guests of Mr. Roberts may accompany him on such flights or otherwise on business travel, for which KKR incurs no incremental cost.

| Name and Principal Position  | Year | Salary<br>(\$) | Bonus<br>(\$) | Stock Awards (\$) <sup>(1)</sup> | All Other<br>Compensation (\$) <sup>(2)</sup> | Total<br>(\$) |
|------------------------------|------|----------------|---------------|----------------------------------|-----------------------------------------------|---------------|
| Henry R. Kravis              | 2023 | 300,000        | —             | —                                | 34,976,652 <sup>(3)</sup>                     | 35,276,652    |
| Co-Executive Chairman        | 2022 | 300,000        | —             | 29,991,767                       | 78,055,688                                    | 108,347,455   |
|                              | 2021 | 300,000        | —             | —                                | 67,154,677                                    | 67,454,677    |
| George R. Roberts            | 2023 | 300,000        | —             | —                                | 34,918,579 <sup>(4)</sup>                     | 35,218,579    |
| Co-Executive Chairman        | 2022 | 300,000        | —             | 29,991,711                       | 78,017,254                                    | 108,308,965   |
|                              | 2021 | 300,000        | —             | —                                | 67,209,901                                    | 67,509,901    |
| Joseph Y. Bae                | 2023 | 300,000        | 13,000,000    | —                                | 36,659,449 <sup>(5)</sup>                     | 49,959,449    |
| Co-Chief Executive Officer   | 2022 | 300,000        | 19,350,000    | —                                | 60,349,836                                    | 79,999,836    |
|                              | 2021 | 300,000        | 24,700,000    | 476,261,500                      | 58,374,648                                    | 559,636,148   |
| Scott C. Nuttall             | 2023 | 300,000        | 13,000,000    | —                                | 33,807,444 <sup>(6)</sup>                     | 47,107,444    |
| Co-Chief Executive Officer   | 2022 | 300,000        | 19,350,000    | —                                | 58,618,684                                    | 78,268,684    |
|                              | 2021 | 300,000        | 24,700,000    | 442,161,500                      | 55,980,932                                    | 523,142,432   |
| Robert H. Lewin              | 2023 | 300,000        | 5,200,000     | 15,975,000                       | 4,469,737 <sup>(7)</sup>                      | 25,944,737    |
| Chief Financial Officer      | 2022 | 300,000        | 5,950,000     | —                                | 8,178,845                                     | 14,428,845    |
|                              | 2021 | 300,000        | 6,450,000     | 30,690,000                       | 8,585,091                                     | 46,025,091    |
| Dane E. Holmes (8)           | 2023 | 1,250          | —             | 26,190,667                       | 322,950 <sup>(9)</sup>                        | 26,514,867    |
| Chief Administrative Officer |      |                |               |                                  |                                               |               |

(1) Stock awards reflected in the table above for each year presented represent the value of the restricted holdings units and granted in such reporting period and the grant of units in KKR Holdings ("KKR Holdings Units"), prior to the acquisition of KKR Holdings by KKR in May 2022. Fair value of the restricted holdings units and KKR Holdings Units granted to our named executive officers are calculated in accordance with Accounting Standards Codification Topic 718, Compensation-Stock Compensation ("ASC Topic 718"). See Note 19 "Equity Based Compensation" in our consolidated financial statements included elsewhere in this report for additional information about the valuation assumptions with respect to all grants reflected in this column. These amounts reflect the aggregate grant date fair values calculated under ASC Topic 718, and may not correspond to the actual value that will be recognized by our named executive officers.

(2) Carried interest is presented on the basis of cash received by our named executive officers in the respective fiscal year. We believe that presenting actual cash received by our named executive officers is a more representative disclosure of their compensation than presenting accrued carried interest, because carried interest is paid only if and when there are profitable realization events relating to the underlying investments. Carried interest also includes amounts retained and allocated for distribution to the respective named executive officer, but not yet distributed to the named executive officer, which could be used to fund potential future clawback obligations if any were to arise.

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- (5) (3) Consists of \$60,249,836 \$34,123,192 in cash payments of carried interest from the carry pool during 2022, 2023. For 2022, 2023, also consists of the following payments made by KKR (unless otherwise noted): \$174,307 related to the cost of Mr. Kravis' and his spouse's use of a car and driver during 2023; \$619,153 related to certain personnel who administer personal matters for Mr. Kravis during 2023 (the entire cost of which is reported, because we do not separately track whether their time is spent for business or personal reasons); \$25,000 related to financial planning services fees; \$25,000 related to tax preparation fees; and up to \$10,000 of other miscellaneous benefits. SEC rules require that transportation and other expenses not directly and integrally related to our business be disclosed as compensation to Mr. Kravis. KKR also paid certain amounts for the use for KKR business of aircraft owned by an entity controlled by Mr. Kravis as described in "Certain Relationships and Related Party Transactions, Director Independence – Firm Use of Private Aircraft." From time to time, family members and other personal guests of Mr. Kravis may accompany him on flights or otherwise on business travel, for which KKR incurs no incremental out of pocket cost.
- (4) Consists of \$34,055,679 in cash payments of carried interest from the carry pool during 2023. For 2023, also consists of the following payments made by KKR (unless otherwise noted): \$195,035 related to the cost of Mr. Roberts' use of a car and driver during 2023; \$557,865 related to certain personnel who administer personal matters for Mr. Roberts during 2023 (the entire cost of which is reported, because we do not separately track whether their time is spent for business or personal reasons); \$25,000 related to financial planning services fees; \$25,000 related to tax preparation fees; \$50,000 of matching charitable donations; and up to \$10,000 of other miscellaneous benefits. SEC rules require that transportation and other expenses not directly and integrally related to our business be disclosed as compensation to Mr. Roberts. KKR also paid certain amounts for the use for KKR business of aircraft owned by an entity controlled by Mr. Roberts as described in "Certain Relationships and Related Party Transactions, Director Independence – Firm Use of Private Aircraft." From time to time, family members and other personal guests of Mr. Roberts may accompany him on flights or otherwise on business travel, for which KKR incurs no incremental out of pocket cost.
- (5) Consists of \$36,609,449 in cash payments of carried interest from the carry pool during 2023. For 2023, also consists of the following payments made by KKR (unless otherwise noted): \$25,000 related to financial planning services fees and \$25,000 related to tax preparation fees. From time to time, family members and other personal guests of Mr. Bae may accompany him on flights or otherwise on business travel, for which KKR incurs no incremental cost.
- (6) Consists of \$33,707,444 in cash payments of carried interest from the carry pool during 2023. For 2023, also consists of the following payments made by KKR (unless otherwise noted): \$25,000 related to financial planning services fees; \$25,000 related to tax preparation fees; and \$50,000 of matching charitable donations. KKR also paid certain amounts for the use for KKR business of aircraft in which Mr. Bae owns a fractional interest, as described in "Certain Relationship and Related Party Transactions, Director Independence—Firm Use of Private Aircraft." From time to time, family members and other personal guests of Mr. Bae may accompany him on such flights or otherwise on business travel, for which KKR incurs no incremental cost.
- (6) (7) Consists of \$58,484,084 \$4,369,737 in cash payments of carried interest from the carry pool during 2022; and \$74,600 in deferred compensation notional units of Fiserv, Inc. for Mr. Nuttall's service as a KKR-designated director on the board of directors of Fiserv, Inc., a KKR portfolio company, during 2022, 2023. For 2022, 2023, also consists of the following payments made by KKR (unless otherwise noted): \$25,000 related to financial planning services fees; \$25,000 related to tax preparation fees; and \$10,000 of matching charitable donations. During 2022, Mr. Nuttall fully reimbursed KKR for certain personal usage of private jet arrangements coordinated by KKR.
- (7) Consists of \$8,078,845 in cash payments of carried interest from the carry pool during 2022. For 2022, also consists of the following payments made by KKR (unless otherwise noted): \$25,000 related to financial planning services fees; \$25,000 related to tax preparation fees; fees and \$50,000 of matching charitable donations.
- (8) Ms. Sudol Mr. Holmes became one of our named executive officers in 2022, 2023, and therefore, only her his compensation information for the fiscal year ended December 31, 2022 December 31, 2023 is provided in the table. Ms. Sudol's Mr. Holmes's salary and bonus were was pro-rated amounts based on her his partial year of service, beginning in September 2022, December 2023.
- (9) Consists of the following payments made by KKR: \$50,000 amounts paid in connection with Mr. Holmes prior service in 2023 as a director of matching charitable donations. KKR & Co. Inc.: \$140,301 of fees earned or paid in cash and 3,029 restricted stock units (with a value of \$182,649 which represents the aggregate grant date fair value of restricted stock units calculated in the same manner as described for other directors of KKR & Co. Inc. in the "Director Compensation" stock grant table below) granted on October 2, 2023, which were forfeited in connection with Mr. Holmes' resignation as a director before the vesting date of October 1, 2024. The table excludes 4,134 restricted stock units granted on October 20, 2022 and vested on October 1, 2023, which were previously reported in our 2022 Annual Report, in connection with Mr. Holmes' prior service as a director.

## Grants of Plan-Based Awards in 2022 2023

The following table provides supplemental information relating to grants of equity awards in the year ended December 31, 2022 December 31, 2023 provided in our 2022 2023 Summary Compensation Table.

| Estimated Future Payouts Under Equity Incentive Plan Awards |       |      |               |            |             | All Other Stock Awards: Number of Shares of Stock or Units (#) |                                                            |
|-------------------------------------------------------------|-------|------|---------------|------------|-------------|----------------------------------------------------------------|------------------------------------------------------------|
| Estimated Future Payouts Under Equity Incentive Plan Awards |       |      |               |            |             | All Other Stock Awards: Number of Shares of Stock or Units (#) |                                                            |
| Name                                                        |       |      |               |            |             |                                                                |                                                            |
| Name                                                        |       |      |               |            |             |                                                                |                                                            |
| Name                                                        | Grant |      |               |            |             | All Other Stock Awards: Number of Shares of Stock or Units (#) | Grant Date Fair Value of Stock and Options Awards (\$) (1) |
|                                                             | Name  | Date | Threshold (#) | Target (#) | Maximum (#) |                                                                |                                                            |
| Name                                                        | Name  | Date | Threshold (#) | Target (#) | Maximum (#) | (1)                                                            | Grant Date Fair Value of Stock and Options Awards (\$) (1) |

|                      |               |            |            |             |     |              |
|----------------------|---------------|------------|------------|-------------|-----|--------------|
| Henry R.             | Henry R.      |            |            |             | (2) |              |
| Kravis               | Kravis        | 05/27/2022 | —          |             |     | \$29,991,767 |
| George R.            | George R.     |            |            |             | (2) |              |
| Roberts              | Roberts       | 05/27/2022 | —          | 535,184     |     | \$29,991,711 |
| Joseph Y. Bae        | Joseph Y. Bae |            | —          |             |     | \$ —         |
| Scott C.             | Scott C.      |            |            |             |     |              |
| Nuttall              | Nuttall       |            | —          |             |     | \$ —         |
| Robert H. Lewin      |               |            | —          |             |     | \$ —         |
| Kathryn K. Sudol (3) |               | 10/3/2022  | 40,000 (4) | 200,000     | —   | \$ 5,078,000 |
| Robert H. Lewin (2)  |               |            |            |             |     |              |
| Dane E. Holmes (2)   |               |            |            |             |     |              |
|                      |               | 12/29/2023 |            |             |     |              |
|                      |               | 10/3/2022  | —          | 200,000 (5) |     | \$ 9,356,000 |

- (1) The amounts represent the grant date fair value of the KKR Holdings Units or restricted holdings units, as applicable, as calculated in accordance with ASC Topic 718. See Note 20 19 "Equity Based Compensation" in our consolidated financial statements included elsewhere in this report for additional information about the valuation assumptions with respect to all grants reflected in this table. These amounts reflect the aggregate grant date fair values calculated under ASC Topic 718 and may not correspond to the actual value that will be recognized by our named executive officers.
- (2) The amounts represent KKR Holdings Units allocated in the fiscal year ended December 31, 2022. KKR Holdings Units are described under the caption "—Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table" below.
- (3) The amounts represent restricted holdings units granted under our 2019 Equity Incentive Plan in the fiscal year ended December 31, 2022 to Ms. Sudol. The terms of these restricted holdings units are described under the caption "—Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table" below.
- (4) 20% of the award granted in October 2022 is eligible to vest at the threshold market price of \$75.00 and additional tranches of the award are eligible to vest at various prices up to \$115.00.
- (5) The amounts represent restricted holdings units granted under our 2019 Equity Incentive Plan in the fiscal year ended December 31, 2022 December 31, 2023. The terms of these restricted holdings units are described under the caption "—Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table" below. The amount reported for Mr. Holmes excludes the 3,029 restricted stock units granted on October 2, 2023 in connection with Mr. Holmes' service as a director, which were forfeited.
- (3) 20% of the award granted is eligible to vest at the threshold market price of \$95.80 and additional tranches of the award are eligible to vest at various prices up to \$135.80.

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## Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

### Terms of KKR Holdings Units

On May 31, 2022, KKR completed the Reorganization Mergers contemplated by the Reorganization Agreement pursuant to which KKR acquired KKR Holdings and all of the KKR Group Partnership Units held by it. Before the completion of the Reorganization Mergers, certain of our named executive officers held interests in our business through KKR Holdings (such interests referred to as "KKR Holdings Units"), which was the entity that owned practically all of the outstanding KKR Group Partnership Units that were not allocable to us.

In 2022, our named executive officers (other than Ms. Sudol who was not an employee prior to the closing of the Reorganization Mergers) received distributions from KKR Holdings and its alternative investment vehicle, including distributions relating to tax liabilities, as well as dividends on shares of common stock they own, and because these distributions and dividends are not considered to be compensation, they have not been reported in the Summary Compensation Table.

Prior to the completion of the Reorganization Mergers (as described in Note 1 "Organization" and "Certain Terms Used in this Report"), KKR Holdings Units were exchangeable on a one-for-one basis for shares of our common stock. In connection with the Reorganization Mergers, all KKR Holdings Units were exchanged for shares of our common stock pursuant to the Reorganization Agreement. For more information see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement," "Certain Defined Terms Used in this Report" and "Business—Organizational Structure" in this report.

Prior to the completion of the Reorganization Mergers, KKR Holdings Units had vested over a period of time from their grant date, subject to continued service through each vesting date. Following this service-based vesting, certain KKR Holdings Units were also subject to transfer restrictions and/or minimum retained ownership requirements. Unvested

KKR Holdings Units were not entitled to receive any distributions that were declared and received on the underlying KKR Group Partnership Units. However, from time to time, distributions were made on KKR Group Partnership Units that were held by KKR Holdings, and such distributions were allocated and further distributed to the named executive officers as and when received, to the extent such distributions were received on KKR Group Partnership Units underlying KKR Holdings Units that had satisfied their respective vesting requirements. To the extent that such distributions were made on KKR Group Partnership Units underlying any KKR Holdings Units that did not satisfy all vesting requirements at the time distributions were declared on the underlying KKR Group Partnership Units, such distributions could be allocated or otherwise applied in such amounts and in such manner as Messrs. Kravis and Roberts, acting through the general partner of KKR Holdings, determined.

KKR Holdings Units that were subject to transfer restrictions, unless waived, could not be sold, exchanged or otherwise transferred for a specified period of time following the initial vesting date and interests in such units remained contingently vested during that time. The transfer restriction period typically lasted for (1) one year with respect to one-half of the units vesting on the vesting date and (2) two years with respect to the other one-half of the units vesting on such vesting date. Transfer restricted units became fully vested and transferable and could have been exchanged into shares of common stock at the end of the transfer restriction period if the holder was not terminated for cause and had complied with the terms of his or her confidentiality and restrictive covenant agreement during the transfer restrictions period. See "Terms of Confidentiality and Restrictive Covenant Agreements" below.

While employed by our firm, our principals, including our named executive officers, were also subject to minimum retained ownership rules that required them to continuously hold at least 25% of their cumulatively vested KKR Holdings Units, unless waived. The transfer and vesting restrictions and minimum retained ownership requirements applicable to KKR Holdings Units may not have been enforceable in all cases and could have been waived, modified or amended by KKR Holdings at any time without our consent.

The terms of the KKR Holdings Units described above are distinct from equity awards issuable under our Equity Incentive Plans, which are described below.

Pursuant to the Reorganization Agreement, 500,000 outstanding KKR Holdings Units held by each of Messrs. Kravis and Roberts and 1,455,000 outstanding KKR Holdings Units held by each of Messrs. Bae and Nuttall, each of which had previously been scheduled to vest on October 1, 2022, were accelerated to vest immediately prior to the closing of the Reorganization Mergers, and such KKR Holdings Units became vested and received their allocable share of the common stock in connection with the Reorganization Mergers. The customary one- and two-year transfer restrictions applicable to such KKR Holdings Units will continue to apply to the shares received in exchange therefor pursuant to the Reorganization Agreement until October

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1, 2023 and October 1, 2024. (with the customary one-year transfer restriction having expired on October 1, 2023). The 500,000 KKR Holdings Units held by each of Messrs. Kravis and Roberts were already considered fully vested given their age and years of service at KKR.

In addition, KKR Holdings allocated 1,150,000 KKR Holdings Units to each of Messrs. Bae and Nuttall, of which 30% had been subject to forfeiture had such executive not been employed by KKR on October 1, 2022 (except in the case of death or permanent disability). The number of KKR units allocated to Messrs. Bae and Nuttall was determined by Messrs. Kravis and Roberts, and the allocations were made as part of the Reorganization Mergers, which were approved by our board of directors following the recommendation of our conflicts committee. These KKR Holdings Units were exchanged for shares of common stock in connection with the Reorganization Mergers and are subject to customary one- and two-year transfer restrictions that will apply, as applicable, with the two-year transfer restriction applying until October 1, 2024 (with the customary one-year transfer restriction having expired on October 1, 2023 and October 1, 2024). In addition, Messrs. Kravis and Roberts were authorized to allocate the balance of any outstanding and unallocated KKR Holdings Units, in their sole discretion, to themselves or others, on such terms as they determined, prior to the closing of the Reorganization Mergers. In May 2022, KKR Holdings allocated 535,185 and 535,184 KKR Holdings Units to each of Messrs. Kravis and Roberts, respectively, which were fully vested upon allocation. All of the foregoing KKR Holdings Units represented KKR Group Partnership Units that were already outstanding, and therefore, their vesting and allocations as described above did not represent any incremental dilution to KKR.

#### [Terms of Restricted Stock Units](#)

Restricted stock units are equity awards issuable under our 2019 Equity Incentive Plan, which after vesting, may be settled for shares of our common stock on a one-for-one basis (or an amount of cash equal to the fair market value of such shares).

In general, restricted stock units are subject to either (i) a service-based vesting condition with vesting in annual installments over a multi-year period (generally three to five years) from a specified date, subject to the recipient's continued employment with us on the applicable vesting dates, subject to exceptions, or (ii) a market price-based vesting condition where the portion of the units that satisfies stock price target requirements will vest on a scheduled vesting date (generally five years from the grant date), subject to the recipient's continued employment with us on the scheduled vesting date, subject to exceptions. Following vesting, certain restricted stock unit grant agreements may also subject the shares of common stock delivered upon settlement of such restricted stock units to transfer restrictions and/or minimum retained ownership requirements. Unvested restricted stock units granted under our Equity Incentive Plans are not entitled to receive dividends from us. Certain restricted stock unit grant agreements may also contain additional vesting requirements.

Shares of common stock delivered upon settlement of restricted stock units that are subject to transfer restrictions, unless waived, may not be sold, exchanged or otherwise transferred for a specified period of time following the vesting date. The transfer restriction period typically lasts for (1) one year with respect to one-half of the units vesting on such vesting date and (2) two years with respect to the other one-half of the units vesting on such vesting date. Transfer-restricted shares of common stock become saleable at the end of the transfer restriction period if the holder has not been terminated for cause and has not breached any significant or intentional manner, as determined by the Administrator (as defined in "KKR & Co. Inc. Equity Incentive Plan—Administration"), the terms of his or her confidentiality and restrictive covenants contained in the grant agreement during the transfer restriction period. See "Terms of Confidentiality and Restrictive Covenant Agreements" below.

While employed by our firm, our employees, including our named executive officers, may also be subject to a minimum retained ownership requirement under the restricted stock unit grant agreement, which would obligate them to continuously hold shares of our common stock equivalents of 15% of their cumulatively vested restricted stock units, unless waived. From time to time, the transfer restrictions and minimum retained ownership requirements applicable to restricted stock units of certain employees, including our named executive officers, have been and may be transferred to such employees' KKR Holdings Units (prior to the closing of the Reorganization Mergers) or restricted holdings units, if any, so that the total units or shares of equity subject to transfer restrictions and minimum retained ownership requirements are expected to be the same, unless waived.

Terms of Restricted Holdings Units

Restricted holdings units are equity awards granted under our 2019 Equity Incentive Plan and are equity awards, for which the number of shares of common stock in respect of such awards is subject to the overall limitation on the number of shares of common stock that may be awarded under the 2019 Equity Incentive Plan. The overall restricted holdings units program was approved by a committee of independent directors of our board of directors. KKR's independent directors are ineligible to receive restricted holdings units.

In general, restricted holdings units are subject to either (i) a service-based vesting conditions similar condition with vesting in annual installments over a multi-year period (generally three to those five years) from a specified date, subject to the recipient's continued employment with us on the applicable vesting dates, subject to exceptions, or (ii) a market price-based vesting condition where the portion of the units that satisfies stock price target requirements will vest on a scheduled vesting date (generally five years from the grant date), subject to the recipient's continued employment with us on the scheduled vesting date, subject to exceptions. Certain restricted stock holdings units described above. agreements may also contain additional vesting requirements.

Restricted holdings units provide the holder the ability, after vesting and the satisfaction of certain other conditions, to exchange them for shares of our common stock on a one-for-one basis (or at the discretion of KKR, cash in an amount equal to

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the fair market value of the shares of common stock that would otherwise be deliverable in such exchange). There is no tax receivable agreement in place for such exchange of restricted holdings units granted under the 2019 Equity Incentive Plan, and therefore, we will receive 100% of any tax benefits arising from the exchange of restricted holdings units granted under that plan. Prior to vesting, restricted holdings units are not entitled to any distributions from us. Following vesting, restricted holdings units become entitled to receive distributions from us. The amount of distribution per vested restricted holdings unit is equal to the amount distributed on one KKR Group Partnership Unit. To the extent that distributions are made on a KKR Group Partnership Unit that corresponds to a restricted holdings units that is not vested, such distribution amount will be allocated or otherwise applied in a manner we may determine in our discretion. Upon vesting, restricted holdings units are generally subject to additional restrictions, including transfer restrictions, which typically lasts for (1) one year with respect to one-half of the units vesting on such vesting date and (2) two years with respect to the other one-half of the units vesting on such vesting date, and minimum retained ownership requirements, which obligate the recipients to continuously hold at least 25% of their cumulatively vested restricted holdings units, unless waived. Transfer restricted units become fully vested and transferable and may be exchanged into shares of common stock at the end of the transfer restriction period if the holder is not terminated for cause and has complied with the terms of his or her confidentiality and restrictive covenant agreement during the transfer restrictions period. See "Terms —Terms of Confidentiality and Restrictive Covenant Agreements" below.

Terms of Confidentiality and Restrictive Covenant Agreements

The confidentiality and restrictive covenant agreements with each of our named executive officers include prohibitions on them competing with us or soliciting our fund investors, clients or employees while employed by us and during a restricted period following their departure from the firm. These agreements also have non-disparagement obligations and require our named executive officers to protect and use the firm's confidential information only in accordance with confidentiality restrictions set forth in the agreement.

The restricted periods for our Co-Executive Chairmen expire two years from termination for both the prohibitions on competition with us and the prohibitions on the solicitation of our fund investors, clients and employees. In cases where a Co-Executive Chairman is terminated involuntarily and for reasons not constituting cause, such periods are reduced to one year from termination. The restricted periods for our other named executive officers expire (1) in the case of the prohibitions on competition with us, 12 months from termination and (2) in the case of the prohibitions on the solicitation of our fund investors, clients, and employees, 15 months from termination. These agreements also require that we, and our Co-Executive Chairmen and other named executive officers, provide advance notice prior to termination of employment.

Our named executive officers (other than our Co-Executive Chairmen) have entered into these confidentiality and restrictive covenant agreements with us through their restricted stock unit grant agreements or restricted holdings unit grant agreements. agreements. Because our Co-Executive Chairmen have not received any restricted stock units or restricted holdings units from us, their confidentiality and restrictive covenant agreements were solely with KKR Holdings, which KKR acquired in May 2022.

Notwithstanding the foregoing, KKR complies with California's ban on non-competition provisions as provided in California Business and Professional Code Section 16600, and all terms relating to non-competition following the termination of a named executive officer's employment in California, are void.

Outstanding Equity Awards at 2022 2023 Fiscal Year-End

The following table sets forth information concerning unvested restricted holdings units for each of the named executive officers as of December 31, 2022 December 31, 2023.

| Stock Awards |              |
|--------------|--------------|
| Stock Awards | Stock Awards |

|                  | Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) <sup>(1)</sup> |                                                             |                                                                                   |                                                        |                                          | Number of Shares or Units of Stock that Have Not Vested (#) | Market Value of Shares or Units of Stock that Have Not Vested (\$) <sup>(1)</sup> | Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) | Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) <sup>(1)</sup> |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Name             | Name                                                                                                                                    | Number of Shares or Units of Stock that Have Not Vested (#) | Market Value of Shares or Units of Stock that Have Not Vested (\$) <sup>(1)</sup> | Shares, Units or Other Rights That Have Not Vested (#) | That Have Not Vested (\$) <sup>(1)</sup> |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Henry R.         | Henry R.                                                                                                                                |                                                             |                                                                                   |                                                        |                                          |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Kravis           | Kravis                                                                                                                                  | —                                                           | \$ —                                                                              | —                                                      | —                                        |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| George R.        | George R.                                                                                                                               |                                                             |                                                                                   |                                                        |                                          |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Roberts          | Roberts                                                                                                                                 | —                                                           | \$ —                                                                              | —                                                      | —                                        |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Joseph Y. Bae    | Joseph Y. Bae                                                                                                                           | 1,000,000 <sup>(2)</sup>                                    | \$46,420,000                                                                      | 7,500,000 <sup>(3)</sup>                               | \$348,150,000                            |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Scott C.         | Scott C.                                                                                                                                |                                                             |                                                                                   |                                                        |                                          |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Nuttall          | Nuttall                                                                                                                                 | —                                                           | \$ —                                                                              | 7,500,000 <sup>(4)</sup>                               | \$348,150,000                            |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Robert H.        | Robert H.                                                                                                                               | 900,000                                                     |                                                                                   |                                                        |                                          |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Lewin            | Lewin                                                                                                                                   | <sup>(5)</sup>                                              | \$41,778,000                                                                      | —                                                      | —                                        |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Kathryn K. Sudol | K. Sudol                                                                                                                                | 200,000 <sup>(6)</sup>                                      | \$ 9,284,000                                                                      | 200,000 <sup>(7)</sup>                                 | 9,284,000                                |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |
| Dane E. Holmes   | Dane E. Holmes                                                                                                                          |                                                             |                                                                                   |                                                        |                                          |                                                             |                                                                                   |                                                                                                         |                                                                                                                                         |

## Option Exercises and Stock Vested in 2022 2023

The following table sets forth information concerning the vesting of KKR Holdings Units and restricted stock units held by each of our named executive officers during the year ended December 31, 2022 December 31, 2023.

| Name              | Stock Awards                                            |                                               |
|-------------------|---------------------------------------------------------|-----------------------------------------------|
|                   | Number of Shares Acquired on Vesting (#) <sup>(1)</sup> | Value Realized on Vesting (\$) <sup>(2)</sup> |
| Henry R. Kravis   | 1,035,185                                               | \$ 58,011,767                                 |
| George R. Roberts | 1,035,184                                               | \$ 58,011,711                                 |
| Joseph Y. Bae     | 1,905,000                                               | \$ 100,888,200                                |
| Scott C. Nuttall  | 1,905,000                                               | \$ 100,888,200                                |
| Robert H. Lewin   | —                                                       | \$ —                                          |
| Kathryn K. Sudol  | —                                                       | \$ —                                          |

| Name                          | Stock Awards                             |                                |
|-------------------------------|------------------------------------------|--------------------------------|
|                               | Number of Shares Acquired on Vesting (#) | Value Realized on Vesting (\$) |
| Henry R. Kravis               | —                                        | \$ —                           |
| George R. Roberts             | —                                        | \$ —                           |
| Joseph Y. Bae                 | —                                        | \$ —                           |
| Scott C. Nuttall              | —                                        | \$ —                           |
| Robert H. Lewin               | —                                        | \$ —                           |
| Dane E. Holmes <sup>(1)</sup> | —                                        | \$ —                           |

(1) The amounts reflected in this column represent KKR Holdings Units and shares of common stock delivered upon vesting of Excludes the 4,134 restricted stock units granted on October 20, 2022 in connection with Mr. Holmes' service as a portion of director, which are subject to one- and two-year transfer restrictions upon vesting. See "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table" for additional terms, including with respect to the transfer of certain restrictions from the restricted stock units to employees' restricted holdings units.

(2) These amounts are based vested on the closing market price of our common stock on each respective vesting date, October 1, 2023.

## Pension Benefits for 2022 2023

We provided no pension benefits during the fiscal year ended December 31, 2022 December 31, 2023.

## Nonqualified Deferred Compensation for 2022 2023

We provided no defined contribution plan for the deferral of compensation on a basis that is not tax-qualified during the fiscal year ended December 31, 2022 December 31, 2023.

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## Potential Payments Upon Termination or Change in Control

Upon termination of employment (other than due to death or permanent disability), vesting generally ceases for restricted holdings units and restricted stock units that have not vested. In addition, transfer-restricted vested restricted holdings units and, if applicable, transfer-restricted restricted stock units (which term includes the transfer-restricted shares of common stock that may be delivered upon settlement of such restricted stock units) remain subject to transfer restrictions for one- and two-year periods, except as described below. See "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" for additional information regarding the common stock held by our named executive officers.

In general, a named executive officer who retires after the first date on which his or her age plus years of service to KKR equals 80 ("qualified retirement") will generally (i) vest in his or her unvested restricted stock units and restricted holdings units (for those with service based vesting conditions) that would otherwise vest within two years following retirement and (ii) vest in a pro rata portion of his or her unvested restricted stock units and restricted holdings units (for those with market price based vesting conditions) that satisfied the stock price target requirements at the time of qualified retirement, in each case, subject to compliance, if applicable, with the requirement that the holder not violate the terms and conditions of his or her confidentiality and restrictive covenants during the period in which such restricted stock unit or restricted holdings units, if applicable, remains

transfer restricted over the one- and two-year periods from the original vesting date. However, the additional vesting terms upon a qualified retirement do not apply to the restricted holdings units awarded to the Co-Chief Executive Officers in December 2021.

Upon death or permanent disability, generally (i) a holder of restricted **stock units and restricted holdings units** (for those with service based vesting conditions) will become vested with respect to service based vesting conditions in all restricted **stock units and restricted holdings units**, respectively, and (ii) a holder of **restricted stock units and restricted holdings units** (for those with market price based conditions) will be eligible to vest in a pro rata portion of his or her unvested **restricted stock units and restricted holdings units** that satisfy the stock price target requirements at a prescribed time, which include the time of death or permanent disability or at the end of the service based vesting requirement. Upon vesting, restricted holdings units will become permitted to be exchanged into shares of common stock after the applicable transfer restrictions following vesting have lapsed. **Restricted stock units will be settled on, or as soon as practicable after, the scheduled vesting dates, and, if applicable, subject to transfer restrictions.** In addition, upon a change in control of KKR, a holder of restricted **stock units and restricted holdings units** may become immediately vested in all unvested restricted **stock units and restricted holdings units, respectively, units.** The values of unvested restricted **stock units and restricted holding holdings** units held by the named executive officers as of **December 31, 2022 December 31, 2023** are set forth above in "—Outstanding Equity Awards at **2022 2023** Fiscal Year-End."

Upon termination of employment, vesting generally ceases for carried interest allocations, some of which are subject to forfeiture for breach of the confidentiality and restrictive covenant **agreement, agreement, to the extent permitted under applicable law.** In addition, carried interest allocations generally become immediately vested upon death or disability, and certain carried interest allocations permit additional vesting upon retirement.

#### Pay Ratio Disclosure

For the fiscal year ended **December 31, 2022 December 31, 2023:**

- the median of the annual total compensation of all employees of our company (other than Messrs. Bae and Nuttall, who are our Co-Chief Executive Officers as of **December 31, 2022 December 31, 2023**) was **\$225,000; \$202,500;**
- the annual total compensation of Messrs. Bae and Nuttall were **\$79,999,836 \$49,959,449** and **\$78,268,684; \$47,107,444,** respectively; and
- the ratio of the averaged annual total compensation of our Co-Chief Executive Officers to the median of the annual total compensation of all other employees was **352 240** to 1.

To identify the median employee for the purpose of providing the information above, we examined the compensation of all our current employees (other than our Co-Chief Executive Officers) as of **December 31, 2022 December 31, 2023,** using, based on our payroll records, a consistently applied compensation measure consisting of such employees' annual salary, annual cash bonus, actual overtime, carried interest payouts and equity granted. Employees on unpaid leave of absence, employees who gave notice of departure and were not part of the regular year-end compensation **process. process are excluded from the calculation.** Compensation of employees who were employed for less than the full year of **2022 2023** were annualized only if they were part of the regular year-end compensation process. The calculation excludes **165 our non-U.S. employees based in India.** These 178 employees comprise less than 5% of KJRM, a Japanese real estate manager, which we acquired on April 28, 2022 our total 4,440 U.S. and non-U.S. employees **included for purposes of this calculation (which amount includes our employees based in India).** We reviewed all compensation in U.S. dollars, using the relevant exchange rate for any compensation paid in other currencies. After identifying the median employee, we calculated annual total compensation for such employee using the same methodology we use for our principal executive officers as set forth in "—**2022 2023** Summary Compensation Table." As noted in "—Compensation

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Discussion and Analysis," distributions from KKR Holdings and dividends paid on shares of common stock are not considered compensation and accordingly are not included in the pay ratio calculation above. The above CEO pay ratio represents a reasonable good faith estimate, calculated in a manner consistent with SEC rules based on our payroll and employment records and the methodology described above.

#### Director Compensation

We limit compensation for service on our board of directors to the independent directors. During **2022, 2023,** each independent director received (1) an annual cash retainer of \$110,000, **which increased to \$130,000 effective September 20, 2023,** (2) an additional annual cash retainer of \$15,000 if such independent director is a member of the nominating and corporate governance committee, (3) an additional annual cash retainer of \$25,000 if such independent director is a member of the audit committee and an additional annual cash retainer of \$25,000 (in addition to the annual cash retainer as a member of the audit committee) if such independent director serves as the chairman of the audit committee, **and** (4) an additional annual cash retainer of \$10,000 if such independent director is a member of the conflicts committee, **which increased to \$15,000 effective September 20, 2023,** and an additional annual cash retainer of \$15,000 (in addition to the annual cash retainer as a member of the conflicts committee) if such independent director serves as the chairman of the conflicts committee, and (5) an additional annual cash retainer of \$20,000 if such independent director is a member of the risk committee and an additional annual cash retainer of \$20,000 (in addition to the annual cash retainer as a member of the risk committee) if such independent director serves as the chairman of the risk committee.

Cash retainers are pro-rated if, during the fiscal year, a director joins or resigns from the board of directors, a director joins or resigns from a committee or the amount of a retainer is increased or decreased. In addition, on **October 20, 2022 October 2, 2023,** restricted stock units were granted to each independent director pursuant to our 2019 Equity Incentive Plan. **Because Mr. McGuire, an independent director, joined our board of directors on June 15, 2022, an additional 1,202 restricted stock units were granted to him.**



| Name                                                                                                                                                                                                                                                                                                                                                                                     | Fees<br>Earned or |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| <div> <div>Name</div> <div> Adriane M. Brown Matthew R. Cohler Mary N. Dillon Joseph A. Grundfest<sup>(2)</sup> Arturo Gutiérrez Hernández John B. Hess<sup>(3)</sup> Dane E. Holmes<sup>(4)</sup> Raymond J. McGuire<sup>(2) (5)</sup> Xavier B. Niel Kimberly A. Ross <sup>(6)</sup> Patricia F. Russo Thomas M. Schoewe <sup>(3)</sup> Robert W. Scully Evan T. Spiegel </div> </div> |                   |

- (1)

Represents the aggregate grant date fair value of restricted stock units granted to each of the independent directors during the year ended **December 31, 2022** **December 31, 2023** as calculated in accordance with the valuation assumptions with respect to all grants reflected in this column. These amounts reflect the aggregate grant date fair values calculated under ASC Topic 718 and may not correspond to the actual amounts received by the directors.
- (2)

Mr. McGuire was appointed to Grundfest retired from our board of directors on June 15, 2022.
- (3)

Mr. Schoewe did not stand for re-election and was no longer on our board of directors as of July 13, 2022, in June 2023. The **2,479** **4,134** restricted stock units granted to Mr. Schoewe Grundfest on **December 9, 2022** were forfeited in connection with Mr. Schoewe's resignation as a director before the vesting date of October 1, 2024.
- (4)

Mr. Hess retired from our board of directors in June 2023. The 4,134 restricted stock units granted to Mr. Hess on October 20, 2022 vested and were settled into an equal number of shares of KKR common stock on December 20, 2023.
- (5)

In connection with his appointment as Chief Administrative Officer, Mr. Holmes resigned as a director in December 2023. Accordingly, his compensation is presented above in the "2023 Summary Compensation Table" and his compensation was forfeited in connection with Mr. Holmes' resignation as a director before the vesting date of October 1, 2024.
- (6)

Mr. McGuire retired from our board of directors in June 2023. The 4,134 restricted stock units granted to Mr. McGuire on October 20, 2022 vested and were settled into an equal number of shares of KKR common stock on December 20, 2023.
- (6)

Ms. Ross was appointed to our board of directors on September 20, 2023.

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The following table details grants of restricted stock units to each independent director in the year ended **December 31, 2022** **December 31, 2023**. The table includes the grants of restricted stock units owned by each independent director who served as a director during the year ended **December 31, 2022** **December 31, 2023**:

| Name                                  | Grant Date                | Stock Awards (#) | Grant Date                | Stock Awards (#) |
|---------------------------------------|---------------------------|------------------|---------------------------|------------------|
| Name                                  | Grant Date <sup>(1)</sup> | Stock Awards (#) | Grant Date <sup>(1)</sup> | Stock Awards (#) |
| Adriane M. Brown                      | 10/20/2022                | 2/2023           | 10/20/2022                | 2/2023           |
| Matthew R. Cohler                     | 10/20/2022                | 2/2023           | 10/20/2022                | 2/2023           |
| Mary N. Dillon                        | 10/20/2022                | 2/2023           | 10/20/2022                | 2/2023           |
| Joseph A. Grundfest <sup>(3)</sup>    | —                         | —                | —                         | —                |
| Arturo Gutiérrez Hernández            | 10/20/2022                | 2/2023           | 10/20/2022                | 2/2023           |
| John B. Hess <sup>(4)</sup>           | —                         | —                | —                         | —                |
| Dane E. Holmes <sup>(5)</sup>         | 10/2/2023                 | —                | 10/2/2023                 | —                |
| Raymond J. McGuire <sup>(2) (6)</sup> | 6/15/2022                 | —                | 6/15/2022                 | —                |
| Xavier B. Niel                        | 10/20/2022                | 2/2023           | 10/20/2022                | 2/2023           |
| Kimberly A. Ross <sup>(7)</sup>       | 182,971                   | 10/2/2023        | 182,971                   | 10/2/2023        |
| Patricia F. Russo                     | 10/20/2022                | 2/2023           | 10/20/2022                | 2/2023           |
| Thomas M. Schoewe <sup>(4)</sup>      | —                         | —                | —                         | —                |
| Robert W. Scully                      | 10/20/2022                | 2/2023           | 10/20/2022                | 2/2023           |



- KKR & Co. Inc. Equity Incentive Plan

### Administration

Plan, provided that (i) the Executive Committee is not

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### Common Stock Subject to the Plan

### Restricted Stock Units and Other Equity-Based Awards

### Options and Stock Appreciation Rights

The Administrator may award non-qualified stock options and stock appreciation rights. Options and stock appreciation rights granted under the 2019 Equity Incentive Plan will vest over a period of up to five years after grant, but no option or stock appreciation right will be exercisable for a period of more than ten years after it is granted. The exercise price of each option or stock appreciation right will be equal to the fair market value per share of common stock on the date of grant. Employees who are U.S. taxpayers will not be granted with an exercise price less than 100% of the fair market value per share of common stock on the date of grant. To the extent that the aggregate exercise price of all options and stock appreciation rights granted exceeds the aggregate exercise price of all options and stock appreciation rights exercised, the excess amount shall be paid by the Administrator in cash or by depositing the excess amount in a trust account for the benefit of the employee. The Administrator may also grant restricted stock awards, which will be subject to the same vesting schedule as the options and stock appreciation rights. Restricted stock awards will have a fair market value equal to the aggregate exercise price and satisfying such other requirements as may be imposed by the Administrator, partly or wholly satisfied by the exercise of options and stock appreciation rights may be settled in shares of common stock, cash or any combination thereof.

Compensation Committee Interlocks and Insider Participation

Because we are a "controlled company" within the meaning of the corporate governance standards of the NYSE, our board of directors is not required to hold discussions regarding executive compensation, and Messrs. Bae and Nuttall, our Co-Chief Executive Officers, participated in discussions regarding the compensation of our executive officers. See "Certain Relationships and Related Transactions, and Director Independence."

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Compensation Committee Report

Our board of directors does not have a compensation committee. The entire board of directors has reviewed and discussed with management the compensation of our executive officers. The Discussion and Analysis should be included in this report.

Henry R. K  
George R.  
Joseph Y.  
Scott C. N  
Adriane M  
Matthew R  
Mary N. Di  
Joseph A. C  
Arturo Gut  
John B. He  
Dane E. Ho  
Raymond J  
Xavier B. I  
Kimberly A  
Patricia F.  
Robert W.  
Evan T. Sp

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ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth the beneficial ownership of our common stock by:

- each person known to us to beneficially own more than 5% of our common stock based on our review of filings with the SEC;
- each of our directors and named executive officers; and
- our directors and executive officers as a group.

The percentage of beneficial ownership is based on 861,107,985 885,005,588 shares of common stock issued and outstanding as of February 24, 2024. The percentage of beneficial ownership is based on securities of which that person has the right to acquire beneficial ownership within 60 days of February 24, 2023 February 27, 2024. Under these rules, management and directors are deemed to own securities as to which he has no economic interest. The table below does not reflect ownership of the sole outstanding share of our Series I preferred stock by

| Name (1)              |  | Common Stock Beneficially Owned (2) | Percentage of Common Stock Beneficially Owned | Name (1) |  |
|-----------------------|--|-------------------------------------|-----------------------------------------------|----------|--|
| George R. Roberts (3) |  |                                     |                                               |          |  |
| George R. Roberts (3) |  |                                     |                                               |          |  |
| George R. Roberts (3) |  |                                     |                                               |          |  |

|                            |                            |            |       |                            |       |       |
|----------------------------|----------------------------|------------|-------|----------------------------|-------|-------|
| George R. Roberts          | George R. Roberts          | 88,692,855 | 10.3% | 88,192,855                 | 9.97% | 9.97% |
| Henry R. Kravis            | Henry R. Kravis            | 83,370,688 | 9.7%  | Henry R. Kravis            |       |       |
| Scott C. Nuttall           | Scott C. Nuttall           | 21,064,424 | 2.4%  | Scott C. Nuttall           |       |       |
| Joseph Y. Bae              | Joseph Y. Bae              | 18,331,070 | 2.1%  | Joseph Y. Bae              |       |       |
| Adriane M. Brown           | Adriane M. Brown           | 3,264      | *     | Adriane M. Brown           |       |       |
| Matthew R. Cohler          | Matthew R. Cohler          | 89,167     | *     | Matthew R. Cohler          |       |       |
| Mary N. Dillon             | Mary N. Dillon             | 18,984     | *     | Mary N. Dillon             |       |       |
| Joseph A. Grundfest        | Joseph A. Grundfest        | 85,458     | *     | Joseph A. Grundfest        |       |       |
| Arturo Gutiérrez Hernández | Arturo Gutiérrez Hernández | 4,379      | *     | Arturo Gutiérrez Hernández |       |       |
| John B. Hess               | John B. Hess               | 13,458     | *     | John B. Hess               |       |       |
| Dane E. Holmes             | Dane E. Holmes             | 4,379      | *     | Dane E. Holmes             |       |       |
| Raymond J. McGuire         | Raymond J. McGuire         | 1,202      | *     | Raymond J. McGuire         |       |       |
| Xavier B. Niel             | Xavier B. Niel             | 21,872     | *     | Xavier B. Niel             |       |       |

|                                 |                   |           |                     |
|---------------------------------|-------------------|-----------|---------------------|
| Kimberly A. Ross                |                   |           | Kimberly A. Ross    |
| Patricia F. Russo               | Patricia F. Russo | 78,458    | * Patricia F. Russo |
| Robert W. Scully                | Robert W. Scully  | 166,458   | * Robert W. Scully  |
| Evan T. Spiegel                 | Evan T. Spiegel   | 2,479     | * Evan T. Spiegel   |
| Robert H. Lewin                 | Robert H. Lewin   | 1,209,226 | * Robert H. Lewin   |
| Kathryn K. Sudol <sup>(7)</sup> |                   | 40,000    | *                   |

|                                                          |                                                          |             |                                                          |
|----------------------------------------------------------|----------------------------------------------------------|-------------|----------------------------------------------------------|
| Dane E. Holmes                                           |                                                          |             | Dane E. Holmes                                           |
| Directors and executive officers as a group (20 persons) | Directors and executive officers as a group (20 persons) |             | Directors and executive officers as a group (20 persons) |
| (3)(4)(5)(6)(8)                                          | (3)(4)(5)(6)(8)                                          | 216,378,211 | 25.1% (20 persons) (3)(4)(5)(6)(8)                       |

\* Less than 1.0%.

- (1) The address of each director is c/o KKR & Co. Inc., 30 Hudson Yards, New York, New York, 10001. The address of each executive officer, except Mr. Roberts, is c/o Kohlberg Kravis Roberts & Co. L.P., 3000 Menlo Park, California 94025.
- (2) Unless otherwise indicated, each individual has sole voting power and sole investment power with respect to the shares owned.
- (3) Includes (i) 2,630,000 2,130,000 shares held by a charitable foundation over which Mr. Roberts has shared voting power and (ii) 1,043,242 shares held by a limited partnership over which Mr. Roberts has shared voting power.
- (4) Includes (i) 15,277 shares held by Mr. Kravis's spouse over which Mr. Kravis may be deemed to share investment and voting power and (ii) 1,549,369 shares held by a limited partnership over which Mr. Kravis may be deemed to share investment and voting power.
- (5) Includes (i) 129,301 shares held by a trust over which Mr. Nuttall has the right to acquire shared investment and voting power, (ii) 2,782 shares held by a limited liability company over which Mr. Nuttall has the right to acquire shared investment and voting power, and (iii) 1,000 shares held by a trust over which Mr. Nuttall has the right to acquire shared investment and voting power.

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- charitable foundation over which Mr. Nuttall has shared voting power. power, which shares have not been sold as of the date of this filing. Not included in the table above is 211,540 shares
- (6) Includes 384,257 shares held by a trust over which Mr. Bae has the right to acquire shared investment and voting power. Not included in the table above is 450,000 250,000 shares held by a trust over which Mr. Bae has the right to acquire shared investment and voting power.
  - (7) Represents restricted holdings units scheduled to vest within 60 days of February 24, 2023. The shares that Mr. Cohler beneficially owns are held by a trust over which Mr. Cohler has shared investment and voting power.
  - (8) Includes 106,666 179,999 restricted holdings units which are vested or scheduled to vest within 60 days of February 24, 2023 February 27, 2024.

#### Securities Authorized for Issuance under 2019 Equity Compensation Plans Plan

The table set forth below provides information concerning the awards that may be issued under our 2019 Equity Incentive Plans Plan as of December 31, 2023.

|                                                                 | Number of Securities to be Issued |
|-----------------------------------------------------------------|-----------------------------------|
| Equity Compensation Plans Plan Approved by Security Holders     |                                   |
| Equity Compensation Plans Plan Not Approved by Security Holders |                                   |
| Total                                                           |                                   |

- (1) Reflects the aggregate number of restricted stock units granted under our 2019 Equity Incentive Plans Plan and outstanding as of December 31, 2022 December 31, 2023.

- (2) The aggregate number of shares of common stock available under our 2019 Equity Incentive Plan is increased, on the first day of each fiscal year, by a number of shares of common stock equal to the number of shares of common stock available for issuance in respect of outstanding awards and the grant of future awards, in each case minus the number of shares of common stock available under the plan by a lesser amount on any such date. We have filed registration statements on Form S-8 under the Securities Act to register shares of common stock available for sale in the open market.

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## ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The following description is a summary of the material terms of the agreements described below, and does not contain all of the information that you may need to make an investment decision. For more information, see the SEC or incorporated by reference as exhibits to this report.

### Reorganization Agreement

On October 8, 2021, KKR entered into a Reorganization Agreement with KKR Holdings, KKR Associates Holdings, KKR Management (the holder of the Series I preferred stock) and the KKR Group Partnership. The parties agreed to undertake a series of integrated transactions to effect a number of transformative structural and governance changes, including (a) the acquisition of KKR Group Partnership by KKR Management, (b) the future elimination of voting control by KKR Management and the Series I preferred stock held by it, (c) the future establishment of voting rights for all common stock by KKR.

On May 31, 2022, the merger transactions ("Reorganization Mergers") contemplated by the Reorganization Agreement to simplify KKR's corporate structure (including the exchange of KKR Group Partnership Units for KKR & Co. Inc. common stock and the exchange of KKR Group Partnership Units for KKR & Co. Inc. common stock) and 258.3 million KKR Group Partnership Units held by it, and in exchange KKR issued and delivered 266.8 million shares of common stock to the public stockholders of KKR & Co. Inc. (which was formerly known as KKR Aubergine Inc. and become the successor holding company of our business). For more information, see the SEC or incorporated by reference as exhibits to this report.

On May 30, 2022, KKR's tax receivable agreement with KKR Holdings was terminated, other than with respect to exchanges of KKR Holdings Units for KKR & Co. Inc. common stock.

The Reorganization Agreement further provides for:

- (i) the future elimination of control of KKR & Co. Inc. by KKR Management, by having all voting power vested in the common stock of KKR & Co. Inc. on the Sunset Date;
- (ii) also on the Sunset Date, the future acquisition of control by KKR of KKR Associates Holdings when a subsidiary of KKR & Co. Inc. will become the general partner of KKR Associates Holdings.

The "Sunset Date" will be the earlier of (i) December 31, 2026 and (ii) the six-month anniversary of the first date on which the death or permanent disability of KKR Management occurs.

The incremental 8.5 million shares of common stock of KKR & Co. Inc. received in the Reorganization Mergers are not be transferable (except in the case of the ownership of the sole share of Series I preferred stock).

The transactions contemplated to occur under the Reorganization Agreement (including the Reorganization Mergers, the termination of the tax receivable agreement with KKR Holdings, and the exchange of KKR Group Partnership Units for KKR & Co. Inc. common stock) are all required to be consummated together as integrated transactions under the Reorganization Agreement. Because the Reorganization Agreement is a binding agreement, KKR Management, KKR Associates Holdings, KKR & Co. Inc., and the other parties to the Reorganization Agreement.

### Exchange Agreement

KKR Group Co. Inc. (formerly KKR & Co. Inc.) had an exchange agreement with KKR Holdings, pursuant to which KKR Holdings and its limited partners agreed to exchange KKR Group Partnership Units for KKR & Co. Inc. common stock on a one-for-one basis. The final exchange of KKR Group Partnership Units occurred on May 18, 2022. Following the completion of the Reorganization Mergers on May 31, 2022, the exchange agreement was terminated on February 24, 2023.

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### Registration Rights Agreement

In connection with our NYSE listing, we entered into a registration rights agreement with KKR Holdings pursuant to which we granted KKR Holdings, its limited partners and KKR Associates Holdings (the "Registration Rights Agreement") the right, under certain circumstances and subject to certain restrictions, to require us to register under the Securities Act our common stock (and the KKR Group Partnership Units) and to make available shelf registration statements permitting sales of such securities. Under the Registration Rights Agreement, holders of registration rights have the right to require us to make available shelf registration statements permitting sales of such securities. The Registration Rights Agreement also provides for the ability to exercise certain piggyback registration rights in connection with registered offerings requested by other holders of registration rights or initiated by us. The Registration Rights Agreement was amended by the Registration Rights Agreement Amendment, which was declared effective on April 14, 2011, September 21, 2011, July 10, 2018 and [June 6, 2022](#) [June 7, 2022](#).

### Tax Receivable Agreement

We had a tax receivable agreement with KKR Holdings, pursuant to which we were required to pay to KKR Holdings or to its limited partners a portion of the tax benefits realized by us in connection with the exchange of KKR Group Partnership Units for KKR & Co. Inc. common stock. The tax receivable agreement was terminated on May 30, 2022, but we remain obligated to make payments under the tax receivable agreement described above.

KKR Group Partnership made an election under Section 754 of the Code that was effective for each taxable year in which an exchange of KKR Group Partnership Units for KKR & Co. Inc. common stock occurred. Certain of these exchanges have resulted in an increase in the tax basis of the assets of KKR Group Partnership that would not otherwise have been available. This increase in tax basis has increased certain depreciation and amortization deductions and capital loss carryforwards. This increase in tax basis is expected to also decrease gain (or increase loss) on future dispositions of certain capital assets to the extent tax basis is available.



For the year ended December 31, 2022, we reimbursed Mr. Bae approximately \$630,000 for the use of private aircraft in which he has fractional ownership, management fees, but did not cover any other reimbursement for capital costs or purchase price.

Because fund investors typically are unwilling to invest their capital in a fund unless the fund's manager also invests its own capital in the fund's investments, we have made commitments to the funds. The amount of these commitments, which are negotiated by fund investors, generally range from 2% to 8% of a fund's total capital. Our general partner contributes capital to the fund based on its fund commitment percentage and if applicable, acquires a capital interest in the investment that would otherwise be distributed to our employees.

In addition, certain of our current and former employees and certain other qualifying personnel are permitted to invest, and have invested, their own capital in hedge fund partnerships. Side-by-side investments are investments generally made on the same terms and conditions as those available to the applicable partnership, are not generally subject to management fees or a carried interest. The cash invested by our current and former employees and certain other qualifying personnel, as of **2022 December 31, 2023**, of which **\$44.7 million**, **\$51.1 million**, **\$114.4 million**, **\$53.7 million**, **\$24.2 million**, **\$33.8 million**, **\$22.5 million**, **\$22.3 million**, **\$3.2 million** was invested by Mr. Lewin, Mr. Sorkin, Mr. Stork and Mr. Sudol and their personal or estate planning vehicles, respectively. These investments are not included in the accompanying consolidated financial statements. Certain estate planning vehicles associated with Mr. Hess. Such investments associated with Mr. Hess were

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## Indemnification of Directors, Officers and Others

We have agreed to provide this indemnification unless there has been a final and non-appealable judgment by a court of competent jurisdiction of an award of indemnification for criminal proceedings. Any indemnification under these provisions will only be out of our assets. Unless it otherwise agrees, the Series I Fund will not effectuate, indemnification. The indemnification of the persons described above shall be secondary to any indemnification such person is entitled from any other source. Expenses incurred by, persons in connection with their activities, regardless of whether we would have the power to indemnify the person against liabilities, shall be payable to our directors and officers in accordance with its terms.

In addition, we have entered into indemnification agreements with KKR Management and each of our directors. Each indemnification agreement provides us on an after-tax basis from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, and whether formal or informal and including appeals, in which or by reason of any action alleged to have been taken or omitted in such capacity, whether arising from alleged acts or omissions to act occurring on, before or after the date of the filing of this report, the indemnitee is or may be named, charged, involved or implicated, and whether or not the indemnitee acted in bad faith or engaged in fraud or willful misconduct.

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The partnership documents governing KKR's carry-paying investment funds and vehicles generally include a "clawback" provision that, if triggered, may the end of the life of the fund. Under a clawback obligation, upon the liquidation of a fund, the general partner is required to return, typically on an after-tax basis, carry distributions received by the general partner during the term of the fund exceed the amount to which the general partner was ultimately entitled, including interest was subject to this clawback obligation, assuming that all applicable carry-paying funds were liquidated at their **December 31, 2022** **December 31, 2022** approximately **\$2.9 billion** **\$3.5 billion**. Carried interest is recognized in the consolidated statements of operations based on the contractual conditions of the investments were realized at the then estimated fair values. Amounts earned pursuant to carried interest are earned by the general partner of those funds to which investment amounts earned decrease or turn negative in subsequent periods, recognized carried interest will be reversed and to the extent that the aggregate

partner was ultimately entitled, a clawback obligation would be recorded. For funds that are consolidated, this clawback obligation, if any, is reflected as a clawback obligation, if any, is reflected as a reduction of KKR's investment balance as this is where carried interest is initially recorded.

**Menlo Park Office**

Our office in Menlo Park, California, is owned by a real estate partnership that is controlled and majority-owned by persons unaffiliated with KKR and partner interest in the real estate partnership. In November 2022, KKR entered into a new 15-year lease with the real estate partnership, representing an aggregated ~~\$8.8 million~~ \$9.5 million for the year ended ~~December 31, 2022~~ December 31, 2023.

**Confidentiality and Restrictive Covenant Agreements**

Our employees have entered into confidentiality and restrictive covenant agreements that include prohibitions on our employees competing with us or information on these agreements, see "Executive Compensation—Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards

**Other Transactions with Related Persons**

We have entered, and may in the future continue to enter, into ordinary course transactions with unaffiliated entities known to us to beneficially own generally on the same terms and conditions offered to other unaffiliated fund investors and participation in our capital markets transactions, including under "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

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**Statement of Policy Regarding Transactions with Related Persons**

Our Board of Directors adopted a written statement of policy for transactions with related persons (our "related person policy"). Our related person policy prohibits any other designated person any "related person transaction" (defined as any transaction, arrangement or relationship, or series of similar transactions, arranged or entered into by or for the company or any of its subsidiaries or company property that is reportable by us under Item 404(a) of Regulation S-K in which we were or are to be a participant and the amount involved exceeds \$120,000 or more thereto. Those individuals will then communicate that information to the Board of Directors. No related person transaction will be consummated without the approval of a majority of the non-interested members of the committee of our Board of Directors has pre-approved: certain ordinary course transactions with persons known to us to beneficially own more than 5% of our funds as limited partners and participation in capital markets transactions like underwritings and syndications; the renewal of pre-existing strategic relationships with senior employees for business purposes; certain investments by eligible employees in our funds, in side-by-side investments with our funds and the firm, as well as for cash management purposes. In addition, it is our policy that directors interested in a related person transaction should recuse themselves from any vote on such transaction.

**Director Independence**

See "Directors, Executive Officers and Corporate Governance—Independence and Composition of the Board of Directors" for information on director independence.

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**ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The following table summarizes the aggregate fees for professional services provided by Deloitte & Touche LLP (PCAOB ID No. 34), the member firm of the PCAOB, for the years ended ~~31, 2022~~ December 31, 2023 and ~~2021~~, 2022.

|                                | <del>2022</del> | 2023 | 2022 |
|--------------------------------|-----------------|------|------|
| Audit Fees                     |                 |      |      |
| Audit-Related Fees             |                 |      |      |
| Tax Compliance Fees            |                 |      |      |
| Tax Planning and Advisory Fees |                 |      |      |
| All Other Fees                 |                 |      |      |
|                                |                 |      |      |
| Audit Fees                     |                 |      |      |
| Audit-Related Fees             |                 |      |      |
| Tax Compliance Fees            |                 |      |      |
| Tax Planning and Advisory Fees |                 |      |      |



## All Other Fees

|                                | For the Year Ended December 31, 2021 |                       |                        |                       |
|--------------------------------|--------------------------------------|-----------------------|------------------------|-----------------------|
|                                | KKR                                  |                       | Completed Transactions |                       |
|                                | (\$ in thousands)                    |                       |                        |                       |
| Audit Fees                     | \$                                   | 47,836 <sup>(1)</sup> | \$                     | —                     |
| Audit-Related Fees             | \$                                   | 12,908 <sup>(2)</sup> | \$                     | 19,132 <sup>(5)</sup> |
| Tax Compliance Fees            | \$                                   | 35,640 <sup>(3)</sup> | \$                     | —                     |
| Tax Planning and Advisory Fees | \$                                   | 8,318 <sup>(4)</sup>  | \$                     | 13,350 <sup>(5)</sup> |
| All Other Fees                 | \$                                   | 537                   | \$                     | —                     |

(1) Audit Fees consisted of estimated fees for each audit year for (a) the audits of our consolidated financial statements in our Annual Report on Form 10-K and services related to, or require consents and other services related to SEC and other regulatory filings; and (d) audit services provided to KKR funds and other corporate entities.

(2) Audit-Related Fees primarily included merger, acquisition, and investment due diligence services for strategic acquisitions or investments in target companies for in-process transactions and

(3) Tax Compliance Fees consisted of fees for services rendered for tax compliance.

(4) Tax Planning and Advisory Fees primarily included tax planning and advisory services, as well as tax fees for merger, acquisition, and investment structuring services for strategic acquisitions

(5) Audit-Related and Tax Planning and Advisory Fees included merger, acquisition, and investment due diligence services for strategic acquisitions or investments in portfolio companies that have portfolio company's management and are not included in the amounts presented here.

Our Audit Committee charter, which is available on our website at [www.kkr.com](http://www.kkr.com) under "Investor Center—Stockholders (KKR & Co. Inc.)—Environmental and Social Governance," advance all audit and non-audit related services to be provided by our independent registered public accounting firm in accordance with the audit and non-audit services approved by the Audit Committee.

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## PART IV

### ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this report.

1. Financial Statements

See Item 8 above.

2. Financial Statement Schedules:

See Schedule II - Valuation and Qualifying Accounts - Years Ended **December 31, 2022**, **December 31, 2023**, **2021**, **2022** and **2020**, **2021** and **2020**. All other schedules are omitted as they are not applicable or the amounts involved are not material.

3. Exhibits:

|     |                                                                                                                                                                                                                                                                                                                                                                                            |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1 | <a href="#">Plan of Conversion (incorporated by reference to Exhibit 2.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed</a>                                                                                                                                                                                                                                                 |
| 2.2 | <a href="#">Merger Agreement, dated as of July 7, 2020, by and among Global Atlantic Financial Group Limited, a Bermuda exempted company, Magnolia Parent LLC, a Cayman Islands limited liability company, and solely for Section 2.10(</a><br><a href="#">Representative (incorporated by reference to Exhibit 2.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on July</a> |
| 2.3 | <a href="#">Reorganization Agreement, dated as of October 8, 2021, by and among KKR &amp; Co. Inc., KKR Group Holdings Corp., K</a><br><a href="#">GP Limited and KKR Management LLP (incorporated by reference to Exhibit 10.1 to the KKR &amp; Co. Inc. Current Report</a>                                                                                                               |
| 2.4 | <a href="#">Merger Agreement, and Plan of Merger, dated as of <del>May 31, 2022</del> November 28, 2023, by and among KKR &amp; Co. Inc.</a><br><a href="#">Group LLC (incorporated by reference to Exhibit 2.1 to the KKR &amp; Co. Inc.'s Current Report on Form 8-K12B 8-K filed o</a>                                                                                                  |
| 2.5 | <a href="#">Agreement and Plan of Merger, dated as of May 31, 2022, among KKR Holdings L.P., KKR Holdings GP Limited, KKR,</a><br><a href="#">on Form 8-K12B filed on May 31, 2022).</a>                                                                                                                                                                                                   |
| 3.1 | <a href="#">Amended and Restated Certificate of Incorporation of KKR &amp; Co. Inc. (incorporated (incorporated by reference to Exhibi</a>                                                                                                                                                                                                                                                 |
| 3.2 | <a href="#">Amended and Restated Bylaws of KKR &amp; Co. Inc. (incorporated (incorporated by reference to Exhibit 3.2 to the KKR &amp; C</a>                                                                                                                                                                                                                                               |
| 3.3 | <a href="#">Certificate of Designations of 6.00% Series C Mandatory Convertible Preferred Stock of KKR &amp; Co. Inc. (incorporated b</a>                                                                                                                                                                                                                                                  |
| 4.1 | <a href="#">Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by ref</a>                                                                                                                                                                                                                                                    |

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|         |                                                                                                                                                                                                                                                                                |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.2     | <a href="#">Form of 6.00% Series C Preferred Stock Certificate (incorporated by reference to Exhibit A to Annex I to Exhibit 3.1 to th</a>                                                                                                                                     |
| 4.3     | <a href="#">Indenture dated as of February 1, 2013 among KKR Group Finance Co. II LLC, KKR &amp; Co. L.P., KKR Management Hol</a><br><a href="#">Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on February 1, 2013).</a>                              |
| 4.4 4.3 | <a href="#">First Supplemental Indenture dated as of February 1, 2013 among KKR Group Finance Co. II LLC, KKR &amp; Co. L.P.</a><br><a href="#">(incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on February 1, 2013).</a> |

|      |      |                                                                                                                                                                                                                                                                                                                                       |
|------|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.5  | 4.4  | <a href="#">Second Supplemental Indenture dated as of August 5, 2014 among KKR Group Finance Co. II LLC, KKR &amp; Co. L.P., KKR &amp; Co. Inc. and KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on August 5, 2022).</a> |
| 4.6  | 4.5  | <a href="#">Third Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. II LLC, KKR &amp; Co. Inc. and KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                        |
| 4.7  | 4.6  | <a href="#">Form of 5.500% Senior Note due 2043 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 29, 2014).</a>                                                                                                                                                                             |
| 4.8  | 4.7  | <a href="#">Indenture dated as of May 29, 2014 among KKR Group Finance Co. III LLC, KKR &amp; Co. L.P., KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 29, 2014).</a>                                                  |
| 4.9  | 4.8  | <a href="#">First Supplemental Indenture dated as of May 29, 2014 among KKR Group Finance Co. III LLC, KKR &amp; Co. L.P., KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 29, 2014).</a>                               |
| 4.10 | 4.9  | <a href="#">Second Supplemental Indenture dated as of August 5, 2014 among KKR Group Finance Co. III LLC, KKR &amp; Co. L.P., KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.3 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                       |
| 4.11 | 4.10 | <a href="#">Third Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. III LLC, KKR &amp; Co. Inc. and KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                       |
| 4.12 | 4.11 | <a href="#">Form of 5.125% Senior Note due 2044 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on March 23, 2018).</a>                                                                                                                                                                           |
| 4.13 | 4.12 | <a href="#">Indenture dated as of March 23, 2018 among KKR Group Finance Co. IV LLC, KKR &amp; Co. L.P., KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on March 23, 2018).</a>                                               |

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|      |      |                                                                                                                                                                                                                                                                                                                 |
|------|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.14 | 4.13 | <a href="#">First Supplemental Indenture dated as of March 23, 2018 among KKR Group Finance Co. IV LLC, KKR &amp; Co. L.P., KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on March 23, 2018).</a>      |
| 4.15 | 4.14 | <a href="#">Second Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. IV LLC, KKR &amp; Co. Inc. and KKR Management Holdings Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on August 5, 2022).</a> |
| 4.16 | 4.15 | <a href="#">Form of 0.509% Senior Note due 2023 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 29, 2014).</a>                                                                                                                                                       |
| 4.17 |      | <a href="#">Form of 0.764% Senior Note due 2025 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 29, 2014).</a>                                                                                                                                                       |
| 4.18 | 4.16 | <a href="#">Form of 1.595% Senior Note due 2038 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 29, 2014).</a>                                                                                                                                                       |

|                      |                      |                                                                                                                                                                                                                                                                                         |
|----------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#">4.19</a> | <a href="#">4.17</a> | <a href="#">Indenture dated as of May 22, 2019 among KKR Group Finance Co. V LLC, KKR &amp; Co. Inc., KKR Management Holding (incorporated by reference to Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 22, 2019).</a>                                 |
| <a href="#">4.20</a> | <a href="#">4.18</a> | <a href="#">First Supplemental Indenture dated as of May 22, 2019 among KKR Group Finance Co. V LLC, KKR &amp; Co. Inc., KKR Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 22, 2019).</a>       |
| <a href="#">4.21</a> | <a href="#">4.19</a> | <a href="#">Second Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. V LLC, KKR &amp; Co. Inc. and KKR Management Holding (incorporated by reference to Exhibit 4.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on August 5, 2022).</a>     |
| <a href="#">4.22</a> | <a href="#">4.20</a> | <a href="#">Form of 1.625% Senior Note due 2029 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 22, 2019).</a>                                                                                                                               |
| <a href="#">4.23</a> | <a href="#">4.21</a> | <a href="#">Indenture dated as of July 1, 2019 among KKR Group Finance Co. VI LLC, KKR &amp; Co. Inc., KKR Management Holding (incorporated by reference to Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on July 1, 2019).</a>                                |
| <a href="#">4.24</a> | <a href="#">4.22</a> | <a href="#">First Supplemental Indenture dated as of July 1, 2019 among KKR Group Finance Co. VI LLC, KKR &amp; Co. Inc., KKR Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on July 1, 2019).</a>      |
| <a href="#">4.25</a> | <a href="#">4.23</a> | <a href="#">Form of 3.750% Senior Note due 2029 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 22, 2019).</a>                                                                                                                               |
| <a href="#">4.26</a> | <a href="#">4.24</a> | <a href="#">Second Supplemental Indenture dated as of April 21, 2020 among KKR Group Finance Co. VI LLC, KKR &amp; Co. Inc., KKR Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 21, 2020).</a> |

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|                      |                      |                                                                                                                                                                                                                                                                                              |
|----------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#">4.27</a> | <a href="#">4.25</a> | <a href="#">Third Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. VI LLC, KKR &amp; Co. Inc. and KKR Management Holding (incorporated by reference to Exhibit 4.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on August 5, 2022).</a>          |
| <a href="#">4.28</a> | <a href="#">4.26</a> | <a href="#">Form of 3.750% Senior Note due 2029 (included in Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 22, 2019).</a>                                                                                                                                    |
| <a href="#">4.29</a> | <a href="#">4.27</a> | <a href="#">Indenture dated as of February 25, 2020 among KKR Group Finance Co. VII LLC, KKR &amp; Co. Inc., KKR Group Partners Co. Inc. (incorporated by reference to Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on February 25, 2020).</a>                     |
| <a href="#">4.30</a> | <a href="#">4.28</a> | <a href="#">First Supplemental Indenture, dated as of February 25, 2020 among KKR Group Finance Co. VII LLC, KKR &amp; Co. Inc., KKR Group Partners Co. Inc. (incorporated by reference to Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on February 25, 2020).</a> |

|           |                                                                                                                                                                                                                                             |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.31 4.29 | <a href="#">Second Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. VII LLC, KKR &amp; Co. Inc. at</a><br><a href="#">Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                                |
| 4.32 4.30 | <a href="#">Form of 3.625% Senior Note Due 2050 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed o</a>                                                                                                   |
| 4.33 4.31 | <a href="#">Indenture dated as of August 25, 2020 among KKR Group Finance Co. VIII LLC, KKR &amp; Co. Inc., KKR Group Partnersh</a><br><a href="#">Inc. Current Report on Form 8-K filed on August 25, 2020).</a>                           |
| 4.34 4.32 | <a href="#">First Supplemental Indenture dated as of August 25, 2020 among KKR Group Finance Co. VIII LLC, KKR &amp; Co. Inc., K</a><br><a href="#">4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on August 25, 2020).</a> |
| 4.35 4.33 | <a href="#">Second Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. VIII LLC, KKR &amp; Co. Inc. a</a><br><a href="#">Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                                |
| 4.36 4.34 | <a href="#">Form of 3.500% Senior Note due 2050 (included in Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed o</a>                                                                                                   |
| 4.37 4.35 | <a href="#">Indenture dated as of March 31, 2021 among KKR Group Finance Co. IX LLC, KKR &amp; Co. Inc., KKR Group Partnersh</a><br><a href="#">Inc. Current Report on Form 8-K filed on March 31, 2021).</a>                               |
| 4.38 4.36 | <a href="#">First Supplemental Indenture dated as of March 31, 2021 among KKR Group Finance Co. IX LLC, KKR &amp; Co. Inc., KKR</a><br><a href="#">to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on March 31, 2021).</a>       |
| 4.39 4.37 | <a href="#">Second Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. IX LLC, KKR &amp; Co. Inc. a</a><br><a href="#">Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                                  |

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|           |                                                                                                                                                                                                                                            |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.40 4.38 | <a href="#">Form of 4.625% Subordinated Note due 2061 of KKR Group Finance Co. IX LLC (included within Exhibit 4.2 to the KKR</a>                                                                                                          |
| 4.41 4.39 | <a href="#">Indenture dated as of December 8, 2021 among KKR Group Finance Co. X LLC, KKR &amp; Co. Inc., KKR Group Partnersh</a><br><a href="#">Inc. Current Report on Form 8-K filed on December 8, 2021).</a>                           |
| 4.42 4.40 | <a href="#">First Supplemental Indenture dated as of December 8, 2021 among KKR Group Finance Co. X LLC, KKR &amp; Co. Inc., K</a><br><a href="#">4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on December 8, 2021).</a> |
| 4.43 4.41 | <a href="#">Second Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. X LLC, KKR &amp; Co. Inc. a</a><br><a href="#">Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                                  |

|           |                                                                                                                                                                                                                                   |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.44 4.42 | <a href="#">Form of 3.250% Senior Note due 2051 (included within Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a>                                                                   |
| 4.45 4.43 | <a href="#">Indenture dated as of April 26, 2022 among KKR Group Finance Co. XI LLC, KKR &amp; Co. Inc., KKR Group Partnership L to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a>               |
| 4.46 4.44 | <a href="#">First Supplemental Indenture dated as of April 26, 2022 among KKR Group Finance Co. XI LLC, KKR &amp; Co. Inc., KKR to Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a> |
| 4.47 4.45 | <a href="#">Second Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. XI LLC, KKR &amp; Co. Inc. a Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                                           |
| 4.48 4.46 | <a href="#">Form of 1.054% Senior Note due 2027 (included within Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a>                                                                   |
| 4.49 4.47 | <a href="#">Form of 1.244% Senior Note due 2029 (included within Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a>                                                                   |
| 4.50 4.48 | <a href="#">Form of 1.437% Senior Note due 2032 (included within Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a>                                                                   |
| 4.51 4.49 | <a href="#">Form of 1.553% Senior Note due 2034 (included within Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a>                                                                   |
| 4.52 4.50 | <a href="#">Form of 1.795% Senior Note due 2037 (included within Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a>                                                                   |
| 4.53 4.51 | <a href="#">Indenture dated as of May 17, 2022 among KKR Group Finance Co. XII LLC, KKR &amp; Co. Inc., KKR Group Partnership Inc. Current Report on Form 8-K filed on May 17, 2022).</a>                                         |

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|           |                                                                                                                                                                                                                  |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.54 4.52 | <a href="#">First Supplemental Indenture dated as of May 17, 2022 among KKR Group Finance Co. XII LLC, KKR &amp; Co. Inc., KKR to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 17, 2022).</a>  |
| 4.55 4.53 | <a href="#">Second Supplemental Indenture dated as of May 31, 2022 among KKR Group Finance Co. XII LLC, KKR &amp; Co. Inc. a Quarterly Report on Form 10-Q filed on August 5, 2022).</a>                         |
| 4.56 4.54 | <a href="#">Form of 4.850% Senior Note due 2032 (included within Exhibit 4.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on April 26, 2022).</a>                                                  |
| 4.55      | <a href="#">Third Supplemental Indenture, dated as of May 25, 2023, among KKR Group Finance Co. XI LLC, KKR &amp; Co. Inc., KKR to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on May 25, 2023).</a> |

|             |                                                                                                                                                                                                                                            |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.56        | <a href="#">Form of 1.428% Senior Note due 2028 (included within Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K fil</a>                                                                                                  |
| 4.57        | <a href="#">Form of 1.614% Senior Note due 2030 (included within Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K fil</a>                                                                                                  |
| 4.58        | <a href="#">Form of 1.939% Senior Note due 2033 (included within Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K fil</a>                                                                                                  |
| 4.59        | <a href="#">Form of 2.312% Senior Note due 2038 (included within Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K fil</a>                                                                                                  |
| 4.60        | <a href="#">Form of 2.574% Senior Note due 2043 (included within Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K fil</a>                                                                                                  |
| 4.61        | <a href="#">Form of 2.747% Senior Note due 2053 (included within Exhibit 4.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K fil</a>                                                                                                  |
| 10.1        | <a href="#">Third Amended and Restated Limited Partnership Agreement of KKR Group Partnership L.P. dated January 1, 2020 (inc</a>                                                                                                          |
| 10.2        | <a href="#">Amendment No. 1 to Third Amended and Restated Limited Partnership Agreement of KKR Group Partnership L.P. date</a><br><a href="#">August 14, 2020).</a>                                                                        |
| 10.3        | <a href="#">Amendment No. 2 to Third Amended and Restated Limited Partnership Agreement of KKR Group Partnership L.P.</a>                                                                                                                  |
| 10.4        | <a href="#">Registration Rights Agreement dated July 14, 2010, by and among KKR &amp; Co. L.P., KKR Holdings L.P. and the persons</a><br><a href="#">July 20, 2010).</a>                                                                   |
| 10.4 10.5 * | <a href="#">Amended and Restated KKR &amp; Co. Inc. 2010 Equity Incentive Plan (incorporated by reference to Exhibit 4.4 to the KKR</a>                                                                                                    |
| 10.5 10.6 * | <a href="#">Amended and Restated KKR &amp; Co. Inc. 2019 Equity Incentive Plan (incorporated by reference to Exhibit 10.5 to the KK</a>                                                                                                    |
| 10.6 10.7   | <a href="#">Tax Receivable Agreement, dated as of July 14, 2010, among KKR Holdings L.P., KKR Management Holdings Corp.,</a><br><a href="#">Exhibit 10.3 to the KKR &amp; Co. Inc. Current Report on Form 8-K filed on July 20, 2010).</a> |
| 10.7 10.8   | <a href="#">Amendment to Tax Receivable Agreement, dated as of May 3, 2018, among KKR Holdings L.P., KKR Management Ho</a><br><a href="#">10.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on May 8, 2018).</a>          |
| 10.8 10.9   | <a href="#">Amendment No. 2 to Tax Receivable Agreement, dated as of May 30, 2022, among KKR Holdings L.P., KKR Holdings</a><br><a href="#">Report on Form 8-K12B filed on May 31, 2022).</a>                                              |
| 10.9 10.10  | <a href="#">Assignment and Assumption Agreement, dated as of May 31, 2022, by KKR &amp; Co. Inc. and KKR Aubergine Inc.(incorp</a>                                                                                                         |

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|                       |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#">10.10</a> | <a href="#">10.11</a>   | <a href="#">First Amendment and Lender Joinder Agreement, dated as of September 2, 2022, to Second Amended and Restated Credit Agreement, dated as of September 2, 2022, among KKR &amp; Co. Inc., as Administrative Agent, and the Lenders party thereto from time to time, the Lenders party thereto from time to time, and HSBC Bank USA, National Association, as Administrative Agent, and the other agents and arrangers, dated as of September 2, 2022, (with amended and restated credit agreement attached as Exhibit 10.110.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on November 8, 2022).</a> |
| <a href="#">10.11</a> | <a href="#">10.12</a> † | <a href="#">First Amendment, dated as of September 23, 2022, to Credit Agreement, dated as of August 4, 2021, among Global Atlantic Capital Management L.P., as Administrative Agent, and the other agents and arrangers, dated as of September 23, 2022, (with amended and restated credit agreement attached as Exhibit 10.112.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on November 8, 2022).</a>                                                                                                                                                                                                      |
| <a href="#">10.12</a> | <a href="#">10.13</a> † | <a href="#">Sixth Amendment, dated as of November 4, 2022, among KKR Capital Markets Holdings L.P., certain subsidiaries of KKR Capital Markets Holdings L.P., as Administrative Agent, and the other agents and arrangers, dated as of November 4, 2022, to Amended and Restated 5-Year Revolving Credit Agreement dated March 20, 2020 (with amended and restated credit agreement attached as Exhibit 10.123.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on February 27, 2023).</a>                                                                                                                      |
| <a href="#">10.13</a> | <a href="#">10.14</a> † | <a href="#">First Amendment, dated November 4, 2022, to 364-Day Revolving Credit Agreement, dated as of April 8, 2022, among KKR &amp; Co. Inc., as Administrative Agent, and the one or more lenders party thereto thereto, (with amended and restated credit agreement attached as Exhibit 10.134.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q filed on November 8, 2022).</a>                                                                                                                                                                                                                                   |
|                       | 10.14                   | <a href="#">Form of Indemnification Agreement for Directors of KKR &amp; Co. Inc. (incorporated by reference to Exhibit 10.7 10.1 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                                                             |
|                       | 10.15                   | <a href="#">Form of Indemnification Agreement for Directors of KKR &amp; Co. Inc. (incorporated by reference to Exhibit 10.7 10.1 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                                                             |
| <a href="#">10.15</a> | <a href="#">10.16</a>   | <a href="#">Indemnification Agreement, dated as of May 3, 2018, between KKR &amp; Co. L.P. and KKR Management LLP, formerly KKR Management L.P., dated as of May 3, 2018, (with amended and restated credit agreement attached as Exhibit 10.1516.1 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                           |
| <a href="#">10.16</a> | <a href="#">10.17</a> * | <a href="#">Independent Director Compensation Program (incorporated by reference to Exhibit 10.17 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <a href="#">10.17</a> | <a href="#">10.18</a> * | <a href="#">Form of Grant Certificate (Executive Officers) (incorporated by reference to Exhibit 10.23 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <a href="#">10.18</a> | <a href="#">10.19</a> * | <a href="#">Form of Public Company Holdings Unit Award Agreement of KKR &amp; Co. L.P. (Executive Officers) (Market Price Vesting) (incorporated by reference to Exhibit 10.1819.1 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                            |
| <a href="#">10.19</a> | <a href="#">10.20</a> * | <a href="#">Form of Public Company Holdings Unit Award Agreement of KKR &amp; Co. L.P. (Executive Officers) (Service Vesting) (incorporated by reference to Exhibit 10.1920.1 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                 |
|                       | 10.20 *                 | <a href="#">Form of Restricted Stock Unit Agreement of KKR &amp; Co. Inc. (Directors) (incorporated by reference to Exhibit 10.31 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                                                             |
|                       | 10.21 *                 | <a href="#">Form of Restricted Stock Unit Agreement of KKR &amp; Co. Inc. (Directors) (incorporated by reference to Exhibit 10.31 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                                                             |
|                       | 10.22 *                 | <a href="#">Form of Cliff Vesting Dollars-At-Work Grant Certificate of KKR Associates Holdings L.P. (incorporated by reference to Exhibit 10.222.1 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                                            |
|                       | 10.23 *                 | <a href="#">Form of Pro Rata Vesting Dollars-At-Work Grant Certificate of KKR Associates Holdings L.P. (incorporated by reference to Exhibit 10.232.1 to the KKR &amp; Co. Inc. Annual Report on Form 10-K filed on March 1, 2018).</a>                                                                                                                                                                                                                                                                                                                                                                                         |

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|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10.24 *       | <a href="#">Form of Pro Rata Vesting Dollars-At-Work Dollars-At-Work Grant Certificate of KKR Associates Holdings L.P. (incorporated by reference to Exhibit 10.24 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021)</a>                                                                                                                                                                                            |
| 10.25 *       | <a href="#">Form of Restricted Holdings Unit Agreement of KKR &amp; Co. Inc. (Executive Officers) (Market Condition) (incorporated by reference to Exhibit 10.25 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021)</a>                                                                                                                                                                                              |
| 10.26 *       | <a href="#">Form of Restricted Holdings Unit Agreement of KKR &amp; Co. Inc. (Executive Officers) (Market Condition) (incorporated by reference to Exhibit 10.26 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021)</a>                                                                                                                                                                                              |
| 10.27 *       | <a href="#">Form of Restricted Holdings Unit Agreement of KKR &amp; Co. Inc. (Executive Officers) (Market Condition) (Executive Officers) (February 27, 2023)</a>                                                                                                                                                                                                                                                                                      |
| 10.28 *       | <a href="#">Form of Restricted Holdings Unit Agreement of KKR &amp; Co. Inc. (Executive Officers) (Service Vesting) (Executive Officers) (February 27, 2023)</a>                                                                                                                                                                                                                                                                                       |
| 10.29 *       | <a href="#">Form of Restricted Holdings Unit Agreement of KKR &amp; Co. Inc. (Executive Officers) (Market Condition)</a>                                                                                                                                                                                                                                                                                                                               |
| 10.30 *       | <a href="#">Form of Restricted Holdings Unit Agreement of KKR &amp; Co. Inc. (Executive Officers) (Service Condition)</a>                                                                                                                                                                                                                                                                                                                              |
| 10.31 *       | <a href="#">Form of Unit Grant Certificate of KKR Holdings L.P. (Co-Chief Executive Officer) (incorporated by reference to Exhibit 10.31 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021)</a>                                                                                                                                                                                                                      |
| 10.30 10.32 * | <a href="#">Form of Restricted Holdings Unit Agreement of KKR &amp; Co. Inc. (Co-Chief Executive Officer) (incorporated by reference to Exhibit 10.30 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021)</a>                                                                                                                                                                                                         |
| 21.1          | <a href="#">Subsidiaries of the Registrant</a>                                                                                                                                                                                                                                                                                                                                                                                                         |
| 22.1          | <a href="#">Subsidiary Issuer of Guaranteed Securities (incorporated by reference to Exhibit 22.1 to the KKR &amp; Co. Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2021)</a>                                                                                                                                                                                                                                                |
| 23.1          | <a href="#">Consent of Independent Registered Public Accounting Firm Relating to the Financial Statements of KKR &amp; Co. Inc.</a>                                                                                                                                                                                                                                                                                                                    |
| 31.1          | <a href="#">Certification of Co-Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934</a>                                                                                                                                                                                                                                                                                                       |
| 31.2          | <a href="#">Certification of Co-Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934</a>                                                                                                                                                                                                                                                                                                       |
| 31.3          | <a href="#">Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934</a>                                                                                                                                                                                                                                                                                                          |
| 32.1          | <a href="#">Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>                                                                                                                                                                                                                                                                                   |
| 32.2          | <a href="#">Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>                                                                                                                                                                                                                                                                                   |
| 32.3          | <a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>                                                                                                                                                                                                                                                                                      |
| 97.1          | <a href="#">KKR &amp; Co. Inc. Incentive Compensation Clawback Policy</a>                                                                                                                                                                                                                                                                                                                                                                              |
| 101           | Interactive data files pursuant to Rule 405 of Regulation S-T, formatted in Inline XBRL: (i) the Consolidated Statement of Operations for the years ended December 31, 2022, December 31, 2023, 2021, 2022 and 2023, 2021, 2022 and 2020, 2021, (iv) the Consolidated Statements of Changes in Equity for the years ended December 31, 2022, December 31, 2023, 2021, 2022 and 2020, 2021, and (vi) the Notes to the Consolidated Financial Statements |

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|     |                                                                                          |
|-----|------------------------------------------------------------------------------------------|
| 104 | Cover page interactive data file, formatted in Inline XBRL and contained in Exhibit 101. |
|-----|------------------------------------------------------------------------------------------|

\* Management contract or compensatory plan in which directors and/or executive officers are eligible to participate.





| Balance<br>at<br>Beginning<br>of Period                        |                                                                | Charged to costs and expenses |            |                |                                |            |           |  |
|----------------------------------------------------------------|----------------------------------------------------------------|-------------------------------|------------|----------------|--------------------------------|------------|-----------|--|
| Reserves<br>deducted<br>from assets<br>to which<br>they apply: | Reserves<br>deducted<br>from assets<br>to which<br>they apply: |                               |            |                |                                |            |           |  |
| Reserves deducted from<br>assets to which they<br>apply:       |                                                                |                               |            |                |                                |            |           |  |
| Reserves deducted from<br>assets to which they<br>apply:       |                                                                |                               |            |                |                                |            |           |  |
| Credit loss allowance on<br>available-for-sale<br>securities   |                                                                |                               |            |                |                                |            |           |  |
| Credit loss allowance on<br>available-for-sale<br>securities   |                                                                |                               |            |                |                                |            |           |  |
| Credit loss allowance on<br>available-for-sale<br>securities   | Credit loss<br>allowance on                                    |                               |            |                |                                |            |           |  |
| securities                                                     | securities                                                     | \$ 88,133                     | \$ 57,411  | \$ 2,554       | \$ (11,925)                    | \$ (7,841) | \$128,332 |  |
| Credit loss allowance on<br>loans                              | Credit loss<br>allowance on                                    |                               |            |                |                                |            |           |  |
| loans                                                          | loans                                                          | 374,077                       | 369,296    | —              | —                              | (183,145)  | \$560,228 |  |
| Credit loss allowance on<br>unfunded commitments               | Credit loss<br>allowance on                                    |                               |            |                |                                |            |           |  |
| unfunded commitments                                           | unfunded<br>commitments                                        | 21,675                        | 34,111     | —              | —                              | —          | \$ 55,786 |  |
| Credit loss allowance on<br>reinsurance recoverables           | Credit loss<br>allowance on                                    |                               |            |                |                                |            |           |  |
| reinsurance recoverables                                       | reinsurance<br>recoverables                                    | 8,386                         | 32,777     | —              | —                              | —          | \$ 41,163 |  |
| Year Ended December 31, 2021                                   |                                                                |                               |            |                |                                |            |           |  |
| Additions                                                      |                                                                |                               |            |                |                                |            |           |  |
| Balance<br>at<br>Beginning<br>of Period                        | Charged<br>to costs<br>and<br>expenses                         | Assumed                       | Deductions | Charge-<br>off | Balance<br>at End of<br>Period |            |           |  |
| Year Ended December 31, 2022                                   |                                                                |                               |            |                |                                |            |           |  |
| Year Ended December 31, 2022                                   |                                                                |                               |            |                |                                |            |           |  |
| Year Ended December 31, 2022                                   |                                                                |                               |            |                |                                |            |           |  |
| Additions                                                      |                                                                |                               |            |                |                                |            |           |  |

| Balance<br>at<br>Beginning<br>of Period                             |                                                                     |                               |            |           |             |      |           |
|---------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------|------------|-----------|-------------|------|-----------|
| Balance<br>at<br>Beginning<br>of Period                             |                                                                     |                               |            |           |             |      |           |
| Balance<br>at<br>Beginning<br>of Period                             |                                                                     | Charged to costs and expenses |            |           |             |      |           |
| Reserves<br>deducted<br>from assets<br>to which<br>they apply:      | Reserves<br>deducted<br>from assets<br>to which<br>they apply:      |                               |            |           |             |      |           |
| Reserves deducted from<br>assets to which they<br>apply:            |                                                                     |                               |            |           |             |      |           |
| Reserves deducted from<br>assets to which they<br>apply:            |                                                                     |                               |            |           |             |      |           |
| Credit loss allowance on<br>available-for-sale<br>securities        |                                                                     |                               |            |           |             |      |           |
| Credit loss allowance on<br>available-for-sale<br>securities        |                                                                     |                               |            |           |             |      |           |
| Credit loss<br>allowance on<br>available-for-<br>sale<br>securities | Credit loss<br>allowance on<br>available-for-<br>sale<br>securities | \$ 120,895                    | \$(25,316) | \$ 10,854 | \$ (18,300) | \$ — | \$ 88,133 |
| Credit loss<br>allowance on<br>loans                                | Credit loss<br>allowance on<br>loans                                | 120,259                       | 252,979    | 1,636     | (797)       | —    | 374,077   |
| Credit loss<br>allowance on<br>unfunded<br>commitments              | Credit loss<br>allowance on<br>unfunded<br>commitments              | —                             | 21,675     | —         | —           | —    | 21,675    |
| Credit loss<br>allowance on<br>reinsurance<br>recoverables          | Credit loss<br>allowance on<br>reinsurance<br>recoverables          | —                             | 8,386      | —         | —           | —    | 8,386     |
| Year Ended December 31, 2021                                        |                                                                     |                               |            |           |             |      |           |
| Year Ended December 31, 2021                                        |                                                                     |                               |            |           |             |      |           |
| Year Ended December 31, 2021                                        |                                                                     |                               |            |           |             |      |           |
| Additions                                                           |                                                                     |                               |            |           |             |      |           |
| Balance<br>at<br>Beginning<br>of Period                             |                                                                     |                               |            |           |             |      |           |
| Balance<br>at<br>Beginning<br>of Period                             |                                                                     |                               |            |           |             |      |           |

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ITEM 16. FORM 10-K SUMMARY

None.

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SIGNATURES

Pursuant to requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized person(s).

Date: February 27, 2023 29, 2024

KKR & CO. INC.

Name:

Title:

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant:

| Signature                      |                                                                    |
|--------------------------------|--------------------------------------------------------------------|
| /s/ HENRY R. KRAVIS            | Co-Executive Chairman, Director                                    |
| Henry R. Kravis                |                                                                    |
| /s/ GEORGE R. ROBERTS          | Co-Executive Chairman, Director                                    |
| George R. Roberts              |                                                                    |
| /s/ JOSEPH Y. BAE              | Director, Co-Chief Executive Officer (principal executive officer) |
| Joseph Y. Bae                  |                                                                    |
| /s/ SCOTT C. NUTTALL           | Director, Co-Chief Executive Officer (principal executive officer) |
| Scott C. Nuttall               |                                                                    |
| /s/ ADRIANE M. BROWN           | Director                                                           |
| Adriane M. Brown               |                                                                    |
| /s/ MATTHEW R. COHLER          | Director                                                           |
| Matthew R. Cohler              |                                                                    |
| /s/ MARY N. DILLON             | Director                                                           |
| Mary N. Dillon                 |                                                                    |
| /s/ JOSEPH A. GRUNDFEST        | Director                                                           |
| Joseph A. Grundfest            |                                                                    |
| /s/ ARTURO GUTIÉRREZ HERNÁNDEZ | Director                                                           |
| Arturo Gutiérrez Hernández     |                                                                    |
| /s/ JOHN B. HESS               | Director                                                           |
| John. B. Hess                  |                                                                    |
| /s/ DANE E. HOLMES             | Director                                                           |
| Dane E. Holmes                 |                                                                    |
| /s/ RAYMOND J. MCGUIRE         | Director                                                           |
| Raymond J. McGuire             |                                                                    |



**Signature**

/s/ XAVIER B. NIEL

Xavier B. Niel

Director

/s/ KIMBERLY A. ROSS

Kimberly A. Ross

Director

/s/ PATRICIA F. RUSSO

Patricia F. Russo

Director

/s/ ROBERT W. SCULLY

Robert W. Scully

Director

/s/ EVAN T. SPIEGEL

Evan T. Spiegel

Director

**Signature**

/s/ ROBERT H. LEWIN

Robert H. Lewin

Chief Financial Officer (principal financial and ac

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**Exhibit 10.12 4.1**

CERTAIN INFORMATION, IDENTIFIED BY, AND REPLACED WITH, A MARK OF “[\*\*]” HAS BEEN EXCLUDED FROM THIS DOCUMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Execution Version

SIXTH AMENDMENT

**DESCRIPTION OF SECURITIES REGISTERED PURSUANT TO  
SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

THIS SIXTH AMENDMENT (this “Amendment”) is made

**GENERAL**

The following description summarizes the most important terms of our securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, which consists of the following securities:

- Common stock of KKR & Co. Inc.; and
- 4.625% Subordinated Notes due 2061 of KKR Group Finance Co. IX LLC (the “2061 Subordinated Notes”).

The following summaries generally describe the material terms and provisions of these securities as of November 4, 2022 the date of the Annual Report on Form 10-K to which this Exhibit 4.1 is a part (the “Annual Report”). These summaries do not purport to be complete and are subject to, and are qualified in their entirety by express reference to, (i) in the case of our capital stock, the provisions of our amended and restated certificate of incorporation (the “certificate of incorporation”) and our amended and restated bylaws (“bylaws”), which are filed as exhibits to the Annual Report, respectively, and (ii) in the case of the 2061 Subordinated Notes, the indenture (the “Base Indenture”) dated March 31, 2021 (as supplemented, the “2061 Indenture”), by and among KKR Capital Markets Group Finance Co. IX LLC ( “Group Finance IX”), an indirect subsidiary of KKR & Co. Inc., the Guarantors (as defined therein) and The Bank of New York

Mellon Trust Company, N.A., as trustee and the form of 2061 Subordinated Note, each of which is filed as an exhibit to the Annual Report.

Our common stock and 2061 Subordinated Notes are listed on the New York Stock Exchange under the ticker symbols "KKR" and "KKRS" respectively.

For a complete description of our securities, you should refer to our certificate of incorporation, our bylaws, the 2061 Indenture, the form of 2061 Subordinated Note and applicable provisions of the Delaware General Corporation Law (the "DGCL").

On October 11, 2021, KKR Group Co. Inc. (formerly known as KKR & Co. Inc.) ("Old Pubco") announced a Reorganization Agreement that provides for, among other things, merger transactions (the "Mergers") whereby all holders of common stock in Old Pubco immediately prior to the Mergers and all holders of interests in KKR Holdings L.P., a Delaware limited partnership ("KCMH" KKR Holdings), which is an entity through which certain current and former KKR Corporate Lending LLC, a Delaware limited liability company ("KCL U.S."), employees hold interests in KKR, Corporate Lending (CA) LLC, a Delaware limited liability company ("KCL C.A."), KKR Corporate Lending (TN) LLC, a Delaware limited liability company ("KCL T.N."), and KKR Corporate Lending (UK) LLC, a Delaware limited liability company ("KCL U.K."); and together with KCMH, KCL U.S., KCL C.A. and KCL U.K., collectively, the "Borrowers" and individually each a "Borrower"), each of the Guarantors party immediately prior to the Guarantee and Security Agreement described Mergers, received the same common stock in a new parent company of Old Pubco. Following the Existing Credit Agreement (as defined below), the Lender party to the Existing Credit Agreement, and Mizuho Bank, Ltd., as administrative agent (in such capacity, the "Administrative Agent"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Existing Credit Agreement as modified by this Amendment.

#### WITNESSETH:

WHEREAS, the Borrowers, the Lender and the Administrative Agent are parties to that certain Third Amended and Restated 5-Year Revolving Credit Agreement dated March 20, 2020 (as amended by the First Amendment, dated as of November 3, 2020, the Second Amendment, dated as of April 9, 2021, the Third Amendment, dated as of January 7, 2022, the Fourth Amendment, dated as of February 4, 2022 and the Fifth Amendment, dated as of April 8, 2022, the "Existing Credit Agreement", and as amended pursuant to this Amendment hereinafter referred to as the "Credit Agreement");

WHEREAS, pursuant to an internal reorganization involving KCMH, KKR Capital Markets Asia Limited, a Hong Kong company limited by shares, will cease to be Mergers, Old Pubco became a wholly-owned subsidiary of KCMH, a new holding company, KKR Aubergine Inc. ("New Pubco"), which replaced Old Pubco as the public company whose common stock is listed on the New York Stock Exchange under the ticker symbol "KKR." In connection with the Mergers, New Pubco changed its name to "KKR & Co. Inc.," and it will Old Pubco changed its name to "KKR Group Co. Inc."

As used in this description, (x) (i) as of any time prior to the Mergers, "we," "us," "our," the "Company" and similar terms mean Old Pubco, and (ii) as of any time from and after the Mergers, "we," "us," "our," the "Company" and similar terms mean New Pubco, in each case, and its successors but not any of its subsidiaries, and (y) "KKR" means the Company and its subsidiaries.

#### **CAPITAL STOCK**

Our authorized capital stock consists of 5,000,000,000 shares, all with a par value of \$0.01 per share, of which:

- 3,500,000,000 are designated as common stock;
- 1,500,000,000 are designated as preferred stock, of which 1 share is designated as "Series I Preferred Stock" ("Series I Preferred Stock").

---

#### **Common Stock**

##### ***Economic Rights***

**Dividends.** Subject to preferences that apply to any shares of preferred stock outstanding at the time on which dividends are payable, the holders of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine.

**Liquidation.** If we become subject to an event giving rise to our dissolution, liquidation or winding up, the assets legally available for distribution to our stockholders would be substituted distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time ranking on a parity with KKR Capital Markets Asia II Limited, a Hong Kong company limited by our common stock with respect to such distribution, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of our Series I Preferred Stock and any other outstanding shares of preferred stock.

### **Voting Rights**

Our certificate of incorporation provides for holders of our common stock to have the right to vote on the following matters:

- any increase in the number of authorized shares of Series I Preferred Stock;
- a sale of all or substantially all of our and our subsidiaries' assets, taken as a whole, in a single transaction or series of related transactions (except (i) for the sole purpose of changing our legal form into another limited liability entity and where the governing instruments of the new entity provide our stockholders with substantially the same rights and obligations and (ii) mortgages, pledges, hypothecations or grants of a security interest by the Series I Preferred Stockholder in all or substantially all of our assets (including for the benefit of affiliates of the Series I Preferred Stockholder));
- merger, consolidation or other business combination (except for the sole purpose of changing our legal form into another limited liability entity and where the governing instruments of the new entity provide our stockholders with substantially the same rights and obligations); and
- any amendment to our certificate of incorporation that would have a material adverse effect on the rights or preferences of our common stock relative to the other classes of our stock.

In addition, Delaware law would permit holders of our common stock to vote as a new wholly-owned subsidiary separate class on an amendment to our certificate of KCMH; incorporation that would:

- change the par value of our common stock; or
- alter or change the powers, preferences, or special rights of the common stock in a way that would adversely affect the holders of our common stock.

WHEREAS, the Borrowers have requested that the Lender party hereto agree to amend the Existing Credit Agreement in certain respects as hereinafter set forth;

WHEREAS, Section 9.01(a) Our certificate of the Existing Credit Agreement incorporation provides that the Existing Credit Agreement number of authorized shares of any class of stock, including our common stock, may be amended by increased or decreased (but not below the Borrowers and number of shares of such class then outstanding) solely with the Majority Lenders;

WHEREAS, the Lender party hereto and listed on its signature page hereof has agreed to such amendments on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration approval of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

I. Amendments to the Existing Credit Agreement. Effective as holder of the Amendment Effective Date (as defined below) the Existing Credit Agreement is hereby amended to: (i) delete the stricken text (indicated textually Series I Preferred Stock (the "Series I Preferred Stockholder") and, in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually case of any increase in the same manner as number of authorized shares of our Series I Preferred Stock, the following example: double-underlined text) as set forth holders of a majority in voting power of the common stock. As a result, the Series I Preferred Stockholder can approve an increase or decrease in the pages number of authorized shares of common stock without a separate vote of the Existing Credit Agreement attached as Annex A hereto (the "Amended Credit Agreement") and (ii) amend and restate Schedule II to the Existing Credit Agreement in its entirety in the form attached as Annex B hereto.

II. Conditions of Effectiveness. This Amendment shall become effective on the date that each holders of the following conditions common stock. This could allow us to increase and issue additional shares of common stock beyond what is met or waived (the "Amendment Effective Date");

(a) Execution currently authorized in our certificate of Counterparts. The Administrative Agent shall have received

counterparts of this Amendment executed by each Borrower, each Guarantor, the Lender and the Administrative Agent.

(b) Representations and Warranties. As of the Amendment Effective Date, immediately before and after giving effect to this Amendment, the representations and warranties of each Borrower set forth in the Loan Documents shall be true and correct in all material respects on and as of the Amendment Effective Date with the same effect as though made on and as of the Amendment Effective Date; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; provided further that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects on and as of the Amendment Effective Date or on such earlier date, as the case may be.

(c) No Default or Event of Default. As of the Amendment Effective Date, immediately before and after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing.

(d) Resolutions. The Administrative Agent shall have received resolutions or other authorizing documentation of KCMH and its General Partner evidencing the taking of all necessary action authorizing and approving the execution, delivery and performance by KCMH of this Amendment and any other documents to be delivered hereunder by KCMH.

(e) Opinion. The legal opinion of Simpson Thacher & Bartlett LLP, counsel to the KCMH, in a form reasonably acceptable to the Administrative Agent regarding the Pledged Securities of KKR Capital Markets Asia II Limited.

(f) Amendment to Guarantee and Security Agreement. The Administrative Agent shall have received the First Amendment to the Guarantee and Security Agreement, duly executed and delivered by the Obligors and the Administrative Agent (with incorporation without the consent of the Lenders as specified in Section 9.01 holders of the Credit Agreement) concurrently with the Amendment Effective Date.  
common stock.

(g) Fees and Expenses. KCMH shall have paid all fees and expenses (including fees, charges and disbursements Except as described below under "Anti-Takeover Provisions—Loss of counsel invoiced prior voting rights," each record holder of common stock will be entitled to a number of votes equal to the Amendment Effective Date) required to be paid on or prior to the Amendment Effective Date to the Administrative Agent in connection with this Amendment.

III. Post-Closing Condition. Notwithstanding anything to the contrary in any Loan Document, and subject to the Intercreditor Agreement, KCMH will, within 60 days after the Amendment Effective Date (or such later date as the Administrative Agent shall reasonably agree) deliver to the Administrative Agent (or its designee) a stock certificate and related stock power representing 65% number of the issued and outstanding voting shares of KKR Capital Markets Asia II Limited, a Hong Kong company limited by shares.  
common stock held with respect to any matter on which the common stock is entitled to vote.

#### IV. Representations and Warranties

(a) To induce the other parties hereto to enter into this Amendment, the Borrowers represent and warrant to the Lender and the Administrative Agent, as of the Amendment Effective Date and after giving effect to the transactions and amendments to occur on the Amendment Effective Date, this Amendment has been duly authorized, executed and delivered by each of the Borrowers and constitutes, and the Existing Credit Agreement, as amended hereby on the Amendment Effective Date, will constitute, its legal, valid and binding obligation, enforceable against the Borrowers and in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium No Preemptive or other laws affecting creditors' Similar Rights

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Our common stock is not entitled to preemptive rights generally and is not subject to conversion, redemption or sinking fund provisions.

#### Limited Call Right

If at any time:

- (i) less than 10% of the then issued and outstanding shares of any class (other than preferred stock) are held by persons other than the Series I Preferred Stockholder and its affiliates; or

- (ii) we are subjected to registration under the provisions of the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"),

we will have the right, which we may assign in whole or in part to the Series I Preferred Stockholder or any of its affiliates, to acquire all, but not less than all, of the remaining shares of the class held by unaffiliated persons.

As a result of our right to purchase outstanding shares of common stock, a stockholder may have their shares purchased at an undesirable time or price.

### Preferred Stock

Our board of directors is authorized, subject to limitations prescribed by Delaware law, to issue preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, and to fix the designation, powers (including voting powers), preferences and rights of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders (except as may be required by the terms of any preferred stock then outstanding). Our board of directors may (except where otherwise provided in the applicable preferred stock designation) increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares outstanding) the number of shares of any series of preferred stock, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the proportion of voting power held by, or other relative rights of, the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in our control of our company and might adversely affect the market price of the common stock or the proportion of voting power held by, or other relative rights of, the holders of the common stock.

As of the date of filing of the Annual Report, there are no series of preferred stock outstanding other than as described herein.

#### Series I Preferred Stock

*Economic rights.* Except for any distribution required by the DGCL to be made upon a dissolution event, the Series I Preferred Stockholder does not have any rights to receive dividends.

*Voting rights.* The Series I Preferred Stock is voting and is entitled to one vote per share on any matter that is submitted to a vote of our stockholders.

Except as otherwise expressly provided by applicable law, only the vote of the Series I Preferred Stockholder, together with the approval of our board of directors, shall be required in order to amend certain provisions of our certificate of incorporation and none of our other stockholders shall have the right to vote with respect to any such amendments, which include, without limitation:

- (1) amendments to provisions relating to approvals of the transfer of the Class B units in KKR Group Partnership, Series I Preferred Stockholder approvals for certain actions and the appointment or removal of the Chief Executive Officer or Co-Chief Executive Officers;
- (2) a change in our name, our registered agent or our registered office;

- (3) an amendment that our board of directors determines to be necessary or appropriate to address certain changes in U.S. federal, state and local income tax regulations, legislation or interpretation;
- (4) an amendment that is necessary, in the opinion of our counsel, to prevent us or our indemnitees from having a material risk of being in any manner subjected to the provisions of the Investment Company Act, the U.S. Investment Advisers Act of 1940, as amended, or "plan asset" regulations adopted under the U.S. Employee Retirement Income Security Act of 1974, as amended, whether or not substantially similar to plan asset regulations currently applied or proposed by the U.S. Department of Labor;
- (5) a change in our fiscal year or taxable year;
- (6) an amendment that our board of directors has determined to be necessary or appropriate for the creation, authorization or issuance of any class or series of our capital stock or options, rights, warrants or appreciation rights relating to our capital stock;
- (7) any amendment expressly permitted in our certificate of incorporation to be made by the Series I Preferred Stockholder acting alone;

- (8) an amendment effected, necessitated or contemplated by an agreement of merger, consolidation or other business combination agreement that has been approved under the terms of our certificate of incorporation;
- (9) an amendment effected, necessitated or contemplated by an amendment to the partnership agreement of KKR Group Partnership that requires unitholders of KKR Group Partnership to provide a statement, certification or other proof of evidence regarding whether such unitholder is subject to U.S. federal income taxation on the income generated by KKR Group Partnership;
- (10) any amendment that our board of directors has determined is necessary or appropriate to reflect and account for our formation of, or our investment in, any corporation, partnership, joint venture, limited liability company or other entity, as otherwise permitted by our certificate of incorporation;
- (11) a merger into, or conveyance of all of our assets to, another limited liability entity that is newly formed and has no assets, liabilities or operations at the time of the merger or conveyance other than those it receives by way of the merger or conveyance consummated solely to effect a mere change in our legal form, the governing instruments of which provide the stockholders with substantially the same rights and obligations as provided by our certificate of incorporation;
- (12) any amendment that our board of directors determines to be necessary or appropriate to cure any ambiguity, omission, mistake, defect or inconsistency; or
- (13) any other amendments substantially similar to any of the matters described in (1) through (12) above.

In addition, except as otherwise provided by applicable law, the Series I Preferred Stockholder, together with the approval of our board of directors, can amend our certificate of incorporation without the approval of any other stockholder to adopt any amendments that our board of directors has determined:

- (1) do not adversely affect the stockholders considered as a whole (or adversely affect any particular class or series of stock as compared to another class or series) in any material respect;
- (2) are necessary or appropriate to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any federal, state, local or non-U.S. agency or judicial authority or contained in any federal, state, local or non-U.S. statute (including the DGCL);
- (3) are necessary or appropriate to facilitate the trading of our stock or to comply with any rule, regulation, guideline or requirement of any securities exchange on which our stock are or will be listed for trading;
- (4) are necessary or appropriate for any action taken by us relating to splits or combinations of shares of our capital stock under the provisions of our certificate of incorporation; or
- (5) are required to effect the intent of or are otherwise contemplated by our certificate of incorporation.

*Actions requiring Series I Preferred Stockholder approval.* Certain actions require the prior approval of the Series I Preferred Stockholder, including, without limitation:

- (1) entry into a debt financing arrangement in an amount in excess of 10% of our then existing long-term indebtedness (other than with respect to intercompany debt financing arrangements);

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- (2) issuances of securities that would (i) represent at least 5% of any class of equity securities or (ii) have designations, preferences, rights priorities or powers that are more favorable than the common stock;
- (3) adoption of a shareholder rights plan;
- (4) amendment of our certificate of incorporation, certain provisions of our bylaws relating to our board of directors and officers, quorum, adjournment and the conduct of stockholder meetings, and provisions related to stock certificates, registrations of transfers and maintenance of books and records of the Company and the operating agreement of KKR Group Partnership;
- (5) the appointment or removal of our Chief Executive Officer or a Co-Chief Executive Officer;
- (6) merger, sale or other dispositions of all or substantially all of the assets, taken as a whole, of us and our subsidiaries, and the liquidation or dissolution of us or KKR Group Partnership; and
- (7) the withdrawal, removal or substitution of any person as the general partner of KKR Group Partnership or the transfer of beneficial ownership of all or any part of a general partner interest in KKR Group Partnership to any person other than a wholly-owned subsidiary.

*Amount payable in liquidation.* Upon any voluntary or involuntary liquidation, dissolution or winding up of us, each holder of the Series I Preferred Stock will be entitled to a payment equal to \$0.01 per share of Series I Preferred Stock.

*Transferability.* The Series I Preferred Stockholder may transfer all or any part of the Series I Preferred Stock held by it with the written approval of our board of directors and a majority of the controlling interest of the Series I Preferred Stockholder without first obtaining approval of any other stockholder so long as the transferee assumes the rights and

duties of the Series I Preferred Stockholder under our certificate of incorporation, agrees to be bound by the provisions of our certificate of incorporation and furnishes an opinion of counsel regarding limited liability matters. The foregoing limitations do not preclude the members of the Series I Preferred Stockholder from selling or transferring all or part of their limited liability company interests in the Series I Preferred Stockholder at any time.

### Conflicts of Interest

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our certificate of incorporation, to the maximum extent permitted from time to time by Delaware law, renounces any interest or expectancy that we have in any business ventures of the Series I Preferred Stockholder and its affiliates and any member, partner, Tax Matters Partner (as defined in U.S. Internal Revenue Code of 1986, as amended (the "Code"), in effect prior to 2018), Partnership Representative (as defined in the Code), officer, director, employee agent, fiduciary or trustee of any of KKR or its subsidiaries, the KKR Group Partnership, the Series I Preferred Stockholder or any of our or the Series I Preferred Stockholder's affiliates and certain other specified persons (collectively, the "Indemnitees"). Our certificate of incorporation provides that each Indemnitee has the right to engage in businesses of every type and description, including business interests and activities in direct competition with our business and activities. Our certificate of incorporation also waives and renounces any interest or expectancy that we may have in, or right to be offered an opportunity to participate in, business opportunities that are from time to time presented to the Indemnitees. Notwithstanding the foregoing, pursuant to our certificate of incorporation, the Series I Preferred Stockholder has agreed that its sole business will be to act as the Series I Preferred Stockholder and as a general principles partner or managing member of equity, regardless any partnership or limited liability company that we may hold an interest in and that it will not engage in any business or activity or incur any debts or liabilities except in connection therewith.

### Anti-Takeover Provisions

Our certificate of incorporation and bylaws and the DGCL contain provisions, which are summarized in the following paragraphs, that are intended to enhance the likelihood of continuity and stability in the composition of our board of directors and to discourage certain types of transactions that may involve an actual or threatened acquisition of our company. These provisions are intended to avoid costly takeover battles, reduce our vulnerability to a hostile change in control or other unsolicited acquisition proposal, and enhance the ability of our board of directors to maximize stockholder value in connection with any unsolicited offer to acquire us. However, these provisions may have the effect of delaying, deterring or preventing a merger or acquisition of our company by means of a tender offer,

a proxy contest or other takeover attempt that a stockholder might consider in its best interest, including attempts that might result in a proceeding in equity premium over the prevailing market price for the shares of common stock held by stockholders.

*Election of directors.* Subject to the rights granted to one or more series of preferred stock then outstanding, the Series I Preferred Stockholder has the sole authority to elect directors.

*Removal of directors.* Subject to the rights granted to one or more series of preferred stock then outstanding, the Series I Preferred Stockholder has the sole authority to remove and replace any director, with or without cause, at law. any time.

(b) *Vacancies* Immediately before and after giving effect. In addition, our bylaws also provide that, subject to this Amendment, the representations and warranties rights granted to one or more series of each Borrower set forth preferred stock then outstanding, any newly created directorship on the board of directors that results from an increase in the Loan Documents shall number of directors and any vacancies on our board of directors will be true filled by the Series I Preferred Stockholder.

*Loss of voting rights.* If at any time any person or group (other than the Series I Preferred Stockholder and correct in all material respects on and as its affiliates, or a direct or subsequently approved transferee of the Amendment Effective Date with Series I Preferred Stockholder or its affiliates) acquires, in the same effect aggregate, beneficial ownership of 20% or more of any class of our stock then outstanding, that person or group will lose voting rights on all of its shares of stock and such shares of stock may not be voted on any matter as though made on to which such shares may be entitled to vote and will not be considered to be outstanding when sending notices of a meeting of stockholders, calculating required votes, determining the presence of a quorum or for other similar purposes, in each case, as of such date, except applicable and to the extent (i) such representations shares of stock are entitled to any vote.



*Requirements for advance notification of stockholder proposals.* Our bylaws establish advance notice procedures with respect to stockholder proposals relating to the limited matters on which our common stock may be entitled to vote. Generally, to be timely, a stockholder's notice must be received at our principal executive offices not less than 90 days or more than 120 days prior to the first anniversary date of the immediately preceding annual meeting of stockholders. Our bylaws also specify requirements as to the form and warranties content of a stockholder's notice. Our bylaws allow the chairman of the meeting at a meeting of the stockholders to adopt rules and regulations for the conduct of meetings, which may have the effect of precluding the conduct of certain business at a meeting if the rules and regulations are not followed. These provisions may deter, delay or discourage a potential acquirer from attempting to influence or obtain control of our company.

*Special stockholder meetings.* Our certificate of incorporation provides that special meetings of our stockholders may be called at any time only by or at the direction of our board of directors, the Series I Preferred Stockholder or, if at any time any stockholders other than the Series I Preferred Stockholder are entitled under applicable law or our certificate of incorporation to vote on specific matters proposed to be brought before a special meeting, stockholders representing 50% or more of the voting power of the outstanding stock of the class or classes of stock which are entitled to vote at such meeting.

*Stockholder action by written consent.* Pursuant to Section 228 of the DGCL, any action required to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of our stock entitled to vote thereon were present and voted, unless the certificate of incorporation provides otherwise or it conflicts with the rules of the New York Stock Exchange. Our certificate of incorporation permits stockholder action by written consent by stockholders other than the Series I Preferred Stockholder only if consented to by the board of directors in writing.

*Actions requiring Series I Preferred Stockholder approval.* Certain actions require the prior approval of the Series I Preferred Stockholder. See "Preferred Stock—Series I Preferred Stock—Actions requiring Series I Preferred Stockholder approval" above.

*Amendments to our certificate of incorporation requiring Series I Preferred Stockholder approval.* Except as otherwise expressly relate provided by applicable law, only the vote of the Series I Preferred Stockholder, together with the approval of our board of directors, shall be required in order to amend certain provisions of our certificate of

incorporation and none of our other stockholders shall have the right to vote with respect to any such amendments. See "Preferred Stock—Series I Preferred Stock—Voting Rights" above.

*Super-majority requirements for certain amendments to our certificate of incorporation.* Except for amendments to our certificate of incorporation that require the sole approval of the Series I Preferred Stockholder, any amendments to our certificate of incorporation require the vote or consent of stockholders holding at least 90% in voting power of our common stock unless we obtain an earlier date (in which opinion of counsel confirming that such amendment would not affect the limited liability of such stockholder under the DGCL. Any amendment of this provision of our certificate of incorporation also requires the vote or consent of stockholders holding at least 90% in voting power of our common stock.

*Merger, sale or other disposition of assets.* Our certificate of incorporation provides that we may, with the approval of the Series I Preferred Stockholder and with the approval of the holders of at least a majority in voting power of our common stock, sell, exchange or otherwise dispose of all or substantially all of our assets in a single transaction or a series of related transactions, or consummate any merger, consolidation or other similar combination, or approve the sale, exchange or other disposition of all or substantially all of the assets of our subsidiaries, except that no approval of our common stock shall be required in the case such representations and warranties were true and correct of certain limited transactions involving our reorganization into another limited liability entity. See "—Common Stock—Voting Rights." We may in our sole discretion mortgage, pledge, hypothecate or grant a security interest in all material respects as or substantially all of such earlier date) our assets (including for the benefit of persons other than us or our subsidiaries) without the prior approval of the holders of our common stock. We may also sell all or substantially all of our assets under any forced sale of any or all of our assets pursuant to the foreclosure or other realization upon those encumbrances without the prior approval of the holders of our common stock.



*Choice of forum.* Unless we consent in writing to the selection of an alternative forum, (a) the Court of Chancery of the State of Delaware (or, solely to the extent that the Court of Chancery lacks subject matter jurisdiction, the federal district court located in the State of Delaware) is the exclusive forum for resolving (i) any derivative action, suit or proceeding brought on behalf of the corporation, (ii) such representations and warranties are qualified any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, employee or stockholder of the corporation to the corporation or the corporation's stockholders, (iii) any action, suit or proceeding asserting a claim arising pursuant to any provision of the DGCL, our certificate of incorporation or our bylaws or as to "materiality," "Material Adverse Effect" or similar language (in which case such representation and warranties are true and correct in all respects as the DGCL confers jurisdiction on the Court of Chancery of the Amendment Effective Date State of Delaware or as of such earlier date, as (iv) any action, suit or proceeding asserting a claim governed by the case may be).

(c) Immediately before internal affairs doctrine, and after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing on (b) the Amendment Effective Date.

V. Effect of Amendment.

(a) Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies federal district courts of the Lender United States shall be the exclusive forum for the resolution of any action, suit or the Administrative Agent proceeding asserting a cause of action arising under the Existing Credit Agreement Securities Act of 1933, as amended, in each case except as otherwise provided in our certificate of incorporation for any series of our preferred stock.

**Business Combinations**

We have opted out of Section 203 of the DGCL, which provides that an "interested stockholder" (a person other than the corporation or any other Loan Document, direct or indirect majority-owned subsidiary who, together with affiliates and shall not alter, modify, amend associates, owns, or, in any way affect any if such person is an affiliate or associate of the terms, conditions, obligations, covenants corporation, within three years did own, 15% or agreements contained in the Existing Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. In addition, and in furtherance more of the foregoing, the Guarantors expressly acknowledge outstanding voting stock of a corporation) may not engage in "business combinations" (which is broadly defined to include a number of transactions, such as mergers, consolidations, asset sales and agree to the terms of this Amendment, and the terms of the Guarantee and Security Agreement continue to apply other transactions in which an interested stockholder receives or could receive a financial benefit on other than a pro rata basis with full force and effect to any amounts outstanding under or in connection other stockholders) with the Commitment corporation for a period of three years after the date on which the person became an interested stockholder without certain statutorily mandated approvals.

**Transfer Agent and Registrar**

The transfer agent and registrar for our common stock is Equiniti Trust Company, LLC (formerly known as well as other amounts incurred American Stock Transfer and Trust Company, LLC).

**2061 SUBORDINATED NOTES**

**General**

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On March 31, 2021, Group Finance IX issued \$500 million aggregate principal amount of its 2061 Subordinated Notes, pursuant to the terms of the Existing Credit Agreement (except as expressly amended 2061 Indenture, in accordance with its terms). Nothing herein shall be deemed to establish a precedent for purposes denominations of interpreting the provisions \$25 and multiples of the Credit Agreement or entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained \$25 in the Credit Agreement or any other Loan Document in similar or different circumstances. This Amendment shall apply to excess thereof. The 2061 Indenture, 2061 Subordinated Notes and be effective only with respect to the provisions of the Existing Credit Agreement specifically referred to herein.

(b) On and after the Amendment Effective Date, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import, and each reference to the Credit Agreement, "thereunder", "thereof", "therein" or words of like import in any other Loan Document, shall be deemed a reference to the Existing Credit Agreement as amended hereby. This Amendment shall constitute a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

VI. Governing Law. This Amendment and the rights and obligations of the parties hereto shall be related Guarantees (as defined below) are governed by, and construed and interpreted in accordance with, the laws of the State of

New York. The provisions of Sections 9.07 and 9.11 of the New York Mellon, N.A. is the trustee for holders of the Existing Credit Agreement shall apply to this Amendment of the 2061 Subordinated Notes under the 2061 Indenture.

As of the date of issuance and through the effective date of the Mergers, the 2061 Subordinated Notes were fully and unconditionally guaranteed, jointly and severally, on a subordinated basis by Old Pubco and KKR Group Partnership (the "Guarantees"). On the effective date of the Mergers, as evidenced by a supplemental indenture to the same extent 2061 Indenture, New Pubco replaced Old Pubco as if fully set forth herein. a Guarantor under the 2061 Indenture, and Old Pubco was released and discharged from all liabilities and obligations under the 2061 Indenture and its Guarantee.

Unless earlier redeemed, the entire principal amount of the 2061 Subordinated Notes will mature on April 1, 2061. The 2061 Subordinated Notes are not subject to any sinking fund provision.

VII. Counterparts The 2061 Subordinated Notes are unsecured and Electronic Signatures. This Amendment may subordinate obligations of Group Finance IX. The Guarantees are unsecured obligations of the Guarantors.

### Interest

The 2061 Subordinated Notes bear interest at a rate of 4.625% per annum. Interest on the 2061 Subordinated Notes is payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year and ends on the maturity date.

Interest payments on the 2061 Subordinated Notes will be executed made to the holders of record at the close of business on the immediately preceding December 15, March 15, June 15 and September 15, as applicable, whether or not a business day, subject to certain exceptions.

Interest payments will include accrued interest from, and including, the original issue date, or, if interest has already been paid, from the last date in counterparts (and by different parties hereto on different counterparts), each respect of which shall constitute an original, interest has been paid or duly provided for to, but all of which when taken together shall constitute a single contract. Delivery of any executed counterpart of a signature page of this Amendment by facsimile transmission or other electronic means shall be effective as delivery of a manually executed counterpart hereof. The words "delivery", "execute," "execution," "signed," "signature," and words of like import in this Amendment and any document executed in connection herewith shall be deemed to include electronic signatures or

excluding, the keeping of records in electronic form, each of which shall be of next succeeding interest payment date, the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof maturity date or the use of a paper-based recordkeeping system, redemption date, as the case may be. The amount of interest payable for any interest payment period will be computed on the basis of a 360-day year comprised of twelve 30-day months.

So long as no Event of Default (as defined in the 2061 Indenture) with respect to the 2061 Subordinated Notes has occurred and is continuing, Group Finance IX may, on one or more occasions, defer interest payments on the 2061 Subordinated Notes for one or more optional deferral periods of up to five consecutive years without giving rise to an Event of Default under the terms of the 2061 Subordinated Notes. A deferral of interest payments cannot extend, however, beyond the maturity date or the earlier acceleration, repurchase or redemption of the 2061 Subordinated Notes. During an optional deferral period, interest will continue to accrue on the 2061 Subordinated Notes, and deferred interest payments will accrue additional interest at the then applicable interest rate on the 2061 Subordinated Notes, compounded quarterly as of each interest payment date to the extent permitted by applicable law. During an optional deferral period, Group Finance IX will be prohibited from paying current interest on the 2061 Subordinated Notes until all accrued and unpaid deferred interest plus any accrued interest thereon has been paid. No interest otherwise due during an optional deferral period will be due and payable on the 2061 Subordinated Notes until the end of such optional deferral period except upon an acceleration, repurchase or redemption of the 2061 Subordinated Notes during such deferral period. After the commencement of an optional deferral period, until all accrued and unpaid interest on the 2061 Subordinated Notes has been paid, Group Finance IX and the Guarantors will be subject to certain other restrictions.

At the end of five years following the commencement of an optional deferral period, Group Finance IX must pay all accrued and unpaid deferred interest, including compounded interest if it has not been paid before that time. If, at the end of any optional deferral period, Group Finance IX has paid all deferred interest due on the 2061 Subordinated Notes, including compounded interest, Group Finance IX can again defer interest payments on the 2061 Subordinated Notes as described above.

Group Finance IX will provide to the trustee and the holders of 2061 Subordinated Notes written notice of any deferral of interest or continuation of deferral of interest at least one and not more than 60 business days prior to the applicable interest payment date.

### Redemption

Group Finance IX may elect to redeem the 2061 Subordinated Notes:

- in whole at any time or in part from time to time on or after April 1, 2026, at a redemption price equal to their principal amount plus accrued and unpaid interest to, but excluding, the date of redemption; provided that if the 2061 Subordinated Notes are not redeemed in whole, at least \$25 million aggregate principal amount of the 2061 Subordinated Notes must remain outstanding after giving effect to such redemption;
- in whole, but not in part, within 120 days of the occurrence of a "Tax Redemption Event," (as defined in the 2061 Indenture) at a redemption price equal to their principal amount plus accrued and unpaid interest to, but excluding, the date of redemption; or
- in whole, but not in part, at any time prior to April 1, 2026, within 90 days after the occurrence of a "Rating Agency Event" (as defined in the 2061 Indenture) at a redemption price equal to 102% of their principal amount plus any accrued and unpaid interest to, but excluding, the date of redemption.

### Guarantees

In addition to the Guarantees provided by the Company and KKR Group Partnership, any "New KKR Entity" (other than a Non-Guarantor Entity as defined in the 2061 Indenture) must provide a Guarantee, whereupon such New KKR Entity shall be an "Additional Guarantor." A "New KKR Entity" means any direct or indirect subsidiary of the Company other than (i) a then-existing Guarantor, (ii) any person in which the Company directly or indirectly owns its interest through one or more then-existing Guarantors or (iii) any person through which the Company directly or indirectly owns its interests in one or more then-existing Guarantors.

### Subordination

The payment of the principal of, premium, if any, and interest on the 2061 Subordinated Notes and the payment of any Guarantee:

- ranks junior in right of payment to all existing and future Senior Indebtedness (as defined in the 2061 Indenture) of Group Finance IX or the relevant Guarantor;
- ranks equal in right of payment with all existing and future Indebtedness Ranking on a Parity with the 2061 Subordinated Notes (as defined in the 2061 Indenture) of Group Finance IX or the relevant Guarantor;
- is effectively subordinated to all existing and future secured Indebtedness (as defined in the 2061 Indenture) of Group Finance IX or the relevant Guarantor, to the extent of the value of the assets securing such Indebtedness; and
- is structurally subordinated in right of payment to all existing and future Indebtedness, liabilities and other obligations (including policyholder liabilities and other payables) of each subsidiary of Group Finance IX or the relevant Guarantor that is not itself Group Finance IX or a Guarantor.

The 2061 Indenture does not contain any limitations on the amount of additional Indebtedness that Group Finance IX or any of the Guarantors or their respective subsidiaries may incur, including Senior Indebtedness.

Upon any payment or distribution of assets to creditors upon any receivership, liquidation, dissolution, winding up, reorganization, assignment for the benefit of creditors, marshaling of assets or any bankruptcy, insolvency, or similar proceedings, the holders of Senior Indebtedness of Group Finance IX or the relevant Guarantor will first be entitled to receive payment in full in cash or other satisfactory consideration of all amounts due or to become due, including interest accruing after the filing of a bankruptcy or insolvency proceeding on or in respect of such Senior Indebtedness before the holders of the 2061 Subordinated Notes will be entitled to receive or retain any payment in respect of the 2061 Subordinated Notes or the relevant Guarantee.

In the event of the acceleration of the maturity of the 2061 Subordinated Notes, the holders of all Senior Indebtedness of Group Finance IX or the relevant Guarantor outstanding at the time of such acceleration will first be entitled to receive

payment in full in cash or other satisfactory consideration of all such Senior Indebtedness before the holders of the 2061 Subordinated Notes will be entitled to receive or retain any payment in respect of the 2061 Subordinated Notes or the relevant Guarantee.

In the event and during the continuation of any default in any payment with respect to any Senior Indebtedness, or in the event that the maturity of any Senior Indebtedness has been or would be permitted upon notice or the passage of time to be accelerated because of a default, then, unless and until such default shall have been cured or waived or shall have ceased to exist and such acceleration shall have been rescinded or annulled, no payments on account of principal or premium, if any, or interest in respect of the 2061 Subordinated Notes may be made, in each case unless and until all amounts due or to become due on such Senior Indebtedness are paid in full in cash or other satisfactory consideration.

#### Events of Default, Notice and Waiver

The following constitute "Events of Default" under the 2061 Indenture with respect to the 2061 Subordinated Notes:

- Group Finance IX's failure to pay any interest, including compounded interest, on the 2061 Subordinated Notes when due and payable after taking into account any optional deferral period as set forth in the 2061 Indenture, continued for 30 days;
- Group Finance IX's failure to pay principal (or premium, if any) on any 2061 Subordinated Notes when due, regardless of whether such payment became due because of maturity, redemption, acceleration or otherwise;
- Group Finance IX's failure to pay the redemption price when due in connection with a "Tax Redemption Event" or a "Rating Agency Event;"
- any failure by Group Finance IX or the Guarantors to observe or perform any other covenants or agreements with respect to the 2061 Subordinated Notes for 90 days after Group Finance IX receives notice of such failure from the trustee or 90 days after Group Finance IX and the trustee receive notice of such failure from the holders of at least 25% in aggregate principal amount of the outstanding 2061 Subordinated Notes;
- certain events of bankruptcy, insolvency or reorganization of Group Finance IX or of any Guarantor (other than an "Insignificant Guarantor" (as defined in the 2061 Indenture)); and
- a Guarantee of any Guarantor (other than an Insignificant Guarantor) ceases to be in full force and effect or is declared to be null and void and unenforceable or such Guarantee is found to be invalid or a Guarantor (other than an Insignificant Guarantor) denies its liability under its Guarantee (other than by reason of release of such Guarantor in accordance with the terms of the 2061 Indenture).

If an Event of Default with respect to the 2061 Subordinated Notes shall occur and be continuing, the trustee or the holders of at least 25% in aggregate principal amount of the outstanding 2061 Subordinated Notes may declare, by notice as provided for in any applicable law, including the Federal Electronic Signatures in Global 2061 Indenture, the principal amount of all outstanding 2061 Subordinated Notes to be due and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; payable immediately; provided that, notwithstanding anything contained herein to the contrary neither the Administrative Agent nor any Lender case of an Event of Default involving certain events of bankruptcy, insolvency or reorganization, acceleration is under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent or such Lender pursuant to procedures approved by it automatic; and, provided further, that after such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of the outstanding 2061 Subordinated Notes may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal, have been cured or waived.

Group Finance IX is required to furnish the trustee annually a statement by certain of its officers to the effect that, to the best of their knowledge, Group Finance IX is not in default in the fulfillment of any of its obligations under the 2061 Indenture or, if there has been a default in the fulfillment of any such obligation, specifying each such default.

#### Modification and Waiver

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Group Finance IX, the Guarantors and the trustee may supplement the 2061 Indenture and 2061 Subordinated Notes without limiting the foregoing, consent of holders to:

- add to the covenants for the benefit of the holders of any 2061 Subordinated Notes or surrender any right or power the 2061 Indenture confers upon us;

- evidence the assumption of Group Finance IX's obligations or the obligations of any Guarantor under the 2061 Indenture by a successor;
- add any additional events of default for the benefit of the holders of any 2061 Subordinated Notes;
- add new Guarantors;
- provide for the release of any Guarantor in accordance with the 2061 Indenture;
- secure the 2061 Subordinated Notes;
- provide for a successor trustee;
- provide for the issuance of additional notes of any series;
- establish the form or terms of notes of any series;
- comply with the rules of any applicable depository;
- add to or change any of the provisions of the 2061 Indenture to permit or facilitate the issuance of 2061 Subordinated Notes in uncertificated form;
- add to, change or eliminate any provisions of the 2061 Indenture so long as any such addition, change or elimination (i) does not apply to or modify the rights of the holders of 2061 Subordinated Notes of any series created prior to such addition, change or elimination or (ii) becomes effective only when there are no 2061 Subordinated Notes created prior to the execution of the supplemental indenture then outstanding which are entitled to the benefit of such provision;
- cure any ambiguity, to correct or supplement any provision of the 2061 Indenture which may be defective or inconsistent with any other provision therein;
- make any change that does not adversely affect the rights of any holder of 2061 Subordinated Notes in any material respect; or
- to conform to the "Description of the Notes" in the Prospectus Supplement related to the offering of the 2061 Subordinated Notes to the extent that such provision in the "Description of the Notes" was intended to be a verbatim recitation of such provision in the 2061 Indenture or 2061 Subordinated Notes.

Group Finance IX, the Guarantors and the trustee may also modify the 2061 Indenture in a manner that affects the interests or rights of the holders of 2061 Subordinated Notes with the consent of the holders of at least a majority in aggregate principal amount of the 2061 Subordinated Notes at the time outstanding. However, the 2061 Indenture will require the consent of each holder of 2061 Subordinated Notes affected by any modification which would:

- change the fixed maturity of the 2061 Subordinated Notes, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof;
- reduce the amount of principal payable upon acceleration of the maturity thereof;
- change the currency in which the 2061 Subordinated Notes or any premium or interest is payable;
- impair the right to enforce any payment on or with respect to the 2061 Subordinated Notes;
- reduce the percentage in principal amount of outstanding 2061 Subordinated Notes the consent of whose holders is required for modification or amendment of the 2061 Indenture or for waiver of compliance with certain provisions of the 2061 Indenture or for waiver of certain defaults;
- modify the subordination provisions of the 2061 Subordinated Notes in any manner adverse to the holders;
- modify the Guarantees in any manner adverse to the holders; or
- modify any of the above bullet points.

The 2061 Indenture permits the holders of at least a majority in aggregate principal amount of the outstanding 2061 Subordinated Notes or of any other series of debt securities issued under the 2061 Indenture which is affected by the modification or amendment to waive compliance with certain covenants contained in the 2061 Indenture.

### Other Provisions

The 2061 Indenture also includes covenants, including limitations on Group Finance IX's and the Guarantors' ability to, subject to exceptions, incur indebtedness secured by liens on voting stock or profit

participating equity interests of their subsidiaries, or merge, consolidate or sell, transfer or convey all or substantially all of their assets. The 2061 Indenture also contains customary provisions on defeasance and discharge.

### About the Trustee

Subject to the provisions of the Trust Indenture Act of 1939, as amended, the trustee is under no obligation to exercise any of its powers vested in it by the 2061 Indenture at the request of any party, any electronic signature shall be

promptly followed by such manually executed counterpart.

VIII. Headings, holder of the 2061 Subordinated notes unless the holder offers the trustee reasonable indemnity satisfactory to it against the costs, expenses and liabilities which might result. The headings of this Amendment are for purposes of reference only and shall trustee is not limit required to expend or risk its own funds or otherwise affect incur any financial liability in performing its duties if the meaning hereof.

IX. Successors trustee reasonably believes that it is not reasonably assured of repayment or adequate indemnity. We have entered, and Assigns, from time to time may continue to enter, into trust, administration or other relationships with The consent Bank of any Lender to this Amendment shall be binding upon such Lender's successors, assigns and participants permitted by the Existing Credit Agreement. Further, the provisions of this Amendment shall be binding and inure to the benefit of, such Lender's successors, assigns and participants permitted by the Existing Credit Agreement. New York Mellon, N.A. or its affiliates.

[Signature pages follow]

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IN WITNESS WHEREOF, the parties thereto have caused this Amendment to be duly executed and delivered by their officers as of the date first above written.

Exhibit 10.3

KKR CAPITAL MARKETS HOLDINGS L.P.,  
as a Borrower

By: KKR CAPITAL MARKETS HOLDINGS  
GP LLC, its general partner

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING LLC,  
as a Borrower and as a Guarantor

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING (CA) LLC,  
as a Borrower and as a Guarantor

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING (TN) LLC,  
as a Borrower and as a Guarantor

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING (UK) LLC,  
as a Borrower and as a Guarantor

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

#### AMENDMENT NO. 2 TO THE

[Signature Page to Sixth Amendment]

MIZUHO BANK, LTD.,  
as Administrative Agent and as a Lender

By: /s/ Donna DeMagistris

Name: Donna DeMagistris

Title: Executive Director

[Signature Page to Sixth Amendment]

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**Annex A**  
**Amended Credit Agreement**  
[See attached]

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AS AMENDED BY THE FIRST AMENDMENT, DATED AS OF NOVEMBER 3, 2020  
AND AS AMENDED BY THE SECOND AMENDMENT, DATED AS OF APRIL 9, 2021  
AND AS AMENDED BY THE THIRD AMENDMENT, DATED AS OF JANUARY 7, 2022  
AND AS AMENDED BY THE FOURTH AMENDMENT, DATED AS OF FEBRUARY 4, 2022  
AND AS AMENDED BY THE FIFTH AMENDMENT, DATED AS OF APRIL 8, 2022  
AND AS AMENDED BY THE SIXTH AMENDMENT, DATED AS OF NOVEMBER 4, 2022

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**\$750,000,000**  
**THIRD AMENDED AND RESTATED 5-YEAR REVOLVING CREDIT LIMITED PARTNERSHIP AGREEMENT**  
**OF**  
**KKR GROUP PARTNERSHIP L.P.**

Dated as of March 20, 2020

Among  
**KKR CAPITAL MARKETS HOLDINGS L.P.** **This AMENDMENT NO. 2 (this “Amendment”)**,  
**KKR CORPORATE LENDING LLC,**  
**KKR CORPORATE LENDING (CA) LLC,**  
**KKR CORPORATE LENDING (TN) LLC**  
*and*  
**KKR CORPORATE LENDING (UK) LLC**  
*as Borrowers,*  
**THE LENDERS PARTY HERETO**  
*and*  
**MIZUHO BANK, LTD.,**  
*as Administrative Agent*  
**MIZUHO BANK, LTD.,**  
*as Sole Lead Arranger and Sole Bookrunner*

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| Exhibit E-1 | Form of Tax Statement for Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes      |
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| Exhibit E-4 | Form of Tax Statement for Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes          |
| Exhibit F   | Form of Additional Borrower Joinder Agreement                                                                  |

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**THIRD AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT** dated as of March 20, 2020 **December 29, 2023**, to the Third Amended and Restated Limited Partnership Agreement, dated as of January 1, 2020 (as further amended or otherwise modified from time to time, the **"Agreement"**), of KKR Group Partnership L.P., a Cayman Islands exempted limited partnership (the **"Partnership"**), is made by KKR Group Holdings Corp., a Delaware corporation, as the general partner of the Partnership (the **"General Partner"**). Each of the capitalized terms used herein that is not otherwise defined herein shall have the meaning ascribed thereto under the Agreement.

## **WITNESSETH**

**WHEREAS**, the General Partner desires to amend the Agreement to reflect certain updates, including the elimination of the Series C Preferred Mirror Units; and

**WHEREAS**, the General Partner, pursuant to Section 10.12(a) of the Agreement, may amend the Agreement so long as such amendment does not have a material adverse effect on the rights or preferences of any Class of Units in relation to other Classes of Units.

**NOW, THEREFORE**, this Agreement is hereby amended as follows:

**FIRST:** The following amendments to Section 1.01 of the Agreement be and hereby are made:

The following definitions shall be amended and restated in their entirety as follows:

**"Agreement"** among **KKR CAPITAL MARKETS HOLDINGS Holdings** means KKR Group Holdings L.P., a Delaware limited partnership, (**"KCMH"** or any successor thereto.

**"Unvested Unit"**, KKR CORPORATE LENDING LLC, a Delaware limited liability company (**"KCL U.S."**), KKR CORPORATE LENDING (CA) LLC, a Delaware limited liability company (**"KCL C.A."**), KKR CORPORATE LENDING (TN) LLC, a Delaware limited liability company (**"KCL T.N."**) means any Unit for which the applicable vesting conditions and KKR CORPORATE LENDING (UK) LLC, a Delaware limited liability company (**"KCL U.K."** transfer restrictions, as applicable, have not been satisfied pursuant to an equity award granted pursuant to an equity incentive or similar plan and/or subscription or grant agreement adopted by the Issuer from time to time.

**"Vested Unit"**; KCMH, KCL U.S., KCL C.A., KCL T.N. means any Unit for which the applicable vesting conditions and KCL U.K. and any Additional Borrower are collectively referred transfer restrictions, as applicable, have been satisfied pursuant to herein as an equity award granted pursuant to an equity incentive or similar plan and/or subscription or grant agreement adopted by the **"Borrowers"** Issuer from time to time.

**SECOND:** All references to "Class A Common Stock" shall be replaced with references to "Common Stock," and individually sometimes as a "Borrower", each of the Lenders (as defined below), and MIZUHO BANK, LTD., as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

WHEREAS, KCMH, the Existing Lenders (as defined below)**THIRD:** All references to a "Series C Preferred Mirror Unit," and the Administrative Agent are parties related provisions, as incorporated by Amendment No. 1 to the Existing Credit Agreement, (as defined below); dated as of August 14, 2020, shall be deleted and null and void as a result of the cancellation of such series.

WHEREAS, the Borrowers have requested, and the Lenders have consented to, the amendment and restatement

**FOURTH:** Section 4.01(a) of the Existing Credit Agreement upon the terms and subject to the conditions set forth herein.

NOW THEREFORE, effective as of the Closing Date, the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

**SECTION 4.01. Distributions.** (a) The General Partner, in its sole discretion, may authorize distributions by the Partnership to the Partners. Distributions shall be made in accordance with Section 11.03, Section 12.03 and this Article IV. However, no distributions, other than Tax Advances, shall be made with respect to a Partner's Class P Units. The Designated Percentage of any distribution (other than distributions made with respect to the Series A Preferred Mirror Units pursuant to Section 11.03 or Series B Preferred Mirror Units pursuant to Section 12.03) that is attributable to Existing Carried Interests or Future Carried Interests shall be made to holders of Class B Units and the parties hereto remaining amount of any such distribution shall be made to holders of Class A Units, in each case *pro rata* in accordance with such Partners' respective Class B Percentage Interest and Class A Percentage Interest. All other distributions (other than distributions made with respect to the Series A Preferred Mirror Units pursuant to Section 11.03 or Series B Preferred Mirror Units pursuant to Section 12.03) not attributable to Existing Carried Interests or Future Carried Interests shall be made solely to the holders of Class A Units *pro rata* in accordance with such Partners' respective Class A Percentage Interests. Notwithstanding the foregoing but subject to the first sentence of Section 4.01(b), unless the General Partner, in its sole discretion, determines otherwise, distributions shall not be made with respect to any Unvested Units, including undistributed Profits that were earned prior to such date such Units become Vested Units.

**FIFTH:** Section 5.04 of the Agreement is hereby agree, amended and restated in its entirety as follows:

**SECTION 5.04. Allocations of Profits and Losses.** Except as otherwise provided in this Agreement, Profits and Losses (and, to the extent necessary, individual items of income, gain or loss or deduction of the Partnership) shall be allocated as follows:

## ARTICLE I

**DEFINITIONS**(a)all Losses shall be allocated *pro rata* to holders of Class A Units and Equitized Class P Series Units in proportion to each Partner's Class A Percentage Interest to the extent such holders were allocated Profits pursuant to paragraph (b) hereunder; and any remaining Losses shall be allocated *pro rata* to the holders of Class A Units.

**SECTION 1.01. (b) Defined Terms.** As usedall Profits shall be allocated *pro rata* to holders of Class A Units and Equitized Class P Series Units in this Agreement, proportion to each Partner's Class A Percentage Interest, to the following terms shall have extent such holder is then entitled to a distribution of such Profits. For the following respective meanings:

"**364-Day Credit Agreement**" means that certain 364-Day Revolving Credit Agreement dated April 8, 2022, among KCMH, KCL U.S., KCL C.A., KCL T.N., KCL U.K., MHC B as administrative agent and purpose of determining the lenders party thereto, as from time to time amended, modified, supplemented, refinanced or replaced.

"**ABR**" means a fluctuating interest rate per annum which shall at any time be the higher of:

- (a) 1/2 of 1.00% per annum above the Federal Funds Rate; and
- (b) Term SOFR for a one-month tenor in effect on such day plus 1.00%.

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Any change Class A Percentage Interest in the ABR due to a change in the Federal Funds Rate or Term SOFR foregoing sentence, all Equitized Class P Series Units shall be effective from and including treated as Class A Units to the effective date extent they are entitled to distributions of such change in Profits. For the Federal Funds Rate avoidance of doubt, the conversion of Class P Units to Equitized Class P Series Units or Term SOFR, respectively.

"**ABR Loan**" means, at any time, a Loan which bears interest at rates based upon the ABR.

"**ABR Term SOFR Determination Day**" has the meaning specified in the definition of "Term SOFR".

"**Additional Borrower**" Class A Units pursuant to Section 5.03(b) shall mean any Person who shall from time occur as gain is allocated pursuant to time after the Closing Date become a party hereto Section 5.05(b) and as Losses are allocated pursuant to paragraph (a), and, if as a "Borrower" hereunder upon the satisfaction result of the conditions set forth allocation of gain to Class P Units and of Losses to Class A Units or Equitized Class P Series Units, any Class P Series Units convert to Equitized Class P Series Units or Class A Units, such converted Equitized Class P Series Units or Class A Units shall share in Section 6.01(i)(ii).

"**Additional Borrower Joinder Agreement**" shall mean the joinder agreement substantially in the form of Exhibit F.

"Administrative Agent" has the meaning specified in the introduction hereto.

"Administrative Agent's Account" means, with respect all further allocations pursuant to any Currency, the account of the Administrative Agent for such Currency most recently designated by it as such by notice to KCMH these paragraphs (a) and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, with respect to a specified Person, another Person that directly or indirectly Controls or is Controlled by or is under common Control with such specified Person.

"Aggregate Borrowing Availability" means, at any time, the Aggregate Facility Amount at such time minus the Total Credit Exposure at such time.

"Aggregate Facility Amount" means, at any time, the aggregate amount of the Commitments then in effect. The initial Aggregate Facility Amount is \$750,000,000.

"Allocable Amount" has the meaning specified in Section 2.06(b).

"Alternate Currency" means the Euro, Sterling and any other currency acceptable to the Lenders that is freely convertible into Dollars and available to be borrowed in the interbank market in London or the Principal Financial Center for such currency, so long as no central bank or other governmental authorization in the country of issue of such currency (including, in the case of the Euro, any authorization by the European Central Bank) is required to permit the use of such currency by any Lender for making any Loan hereunder and/or permit a Borrower to borrow and repay the principal thereof and to pay

Notwithstanding anything to the contrary in this Agreement, the General Partner may make such adjustments to Capital Accounts or allocations of Profits and Losses or items thereof (or items of income, gain, loss or deduction) as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a Partner's interest thereon, unless such authorization has been obtained in the Partnership. In light of Section 5.05(a), (b) and is (c), no Profits or Losses will be allocated in full force and effect. respect of Class B Units or distributions attributable thereto or in respect of Class P Units that are not Equitized Class P Series Units.

"Alternate Currency Equivalent" means, on any date, with respect SIXTH: All references to any amount denominated in a given currency, the amount of Alternate Currency that would "Exchange Agreement" shall be required to purchase such amount of such given currency at or about 11:00 a.m., Local Time, on such date, for delivery two Business Days later, as determined by the Administrative Agent on the basis deleted and Section 7.04 of the spot selling rate for the offering of such given currency for Alternate Currency Agreement is hereby amended and restated in the Principal Financial Center for the applicable given currency, all determinations thereof by the Administrative Agent to be conclusive and binding on the parties in the absence of manifest error. its entirety as follows:

"SECTION 7.04. Applicable Lending Office Exchange Transactions" means, with respect. To the extent permitted to any Lender, the office of such Lender specified as its "Lending Office" in the Administrative Questionnaire of such Lender or in the Assignment and Assumption do so pursuant to which it became a Lender, or such other office of such Lender as such Lender may the policies and procedures established, from time to time, specify to KCMH and by the Administrative Agent. It is understood and agreed that unless otherwise hereafter notified, General Partner for the Applicable Lending Office exchange of Class A Units for MHC and its Affiliates shares of Common Stock, a Limited Partner may exchange all or a portion of the Class A Units owned by such Limited Partner for shares of Common Stock.

SEVENTH: All notice addresses in Section 10.02 shall be its New York branch.

"Applicable Margin" has the meaning specified in Annex A.

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender. updated to:

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent 30 Hudson Yards

New York, New York 10001

Attention: General Counsel

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Rest of any party whose consent is required by Section 9.06(b)) and accepted by the Administrative Agent, substantially in the form of Exhibit D or any other form approved by the Administrative Agent.

"Available Tenor" means, as of any date of determination and with respect to the relevant then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the

avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 3.04(c).

"Availability Period" means the period from the Closing Date until the earlier of (a) the Commitment Termination Date and (b) the date of termination of the Commitments. page intentionally left blank]

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"Bail-In Action" means IN WITNESS WHEREOF, the exercise undersigned has executed this Amendment as of the date first written above.

KKR GROUP HOLDINGS CORP., as  
General Partner

By: /s/ Christopher Lee

Name: Christopher Lee

Title: Secretary

[Signature Page to Amendment No. 2 to the Third A&R LPA of KKR Group Partnership L.P.]

Exhibit 10.15

#### INDEMNIFICATION AGREEMENT

This Indemnification Agreement is dated as of [ ] (this "Agreement") and is by and between [ ] (the "Indemnitee") and KKR & Co. Inc., a Delaware corporation (the "Corporation"). Terms used but not defined herein shall have the meanings assigned to such terms in the Certificate of Incorporation of the Corporation (the "Certificate of Incorporation").

#### WITNESSETH

WHEREAS, in order to, among other things, attract and retain highly competent persons to serve as directors or in other capacities, the Corporation must provide such persons with adequate protection, through rights to indemnification and advancement of expenses, against the risks of claims and actions against them arising out of their services to and activities on behalf of the Corporation; and

WHEREAS, the Indemnitee is willing to so serve on the basis that such rights be provided.

NOW, THEREFORE, in consideration of the Indemnitee's agreement to serve as a director of the Corporation and the covenants and agreements set forth below, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows.

#### Section 1. Indemnification.

(a) To the fullest extent permitted by law (including Section 145 of the General Corporation Law of the State of Delaware), but subject to the limitations expressly provided for in this Agreement, the Indemnitee shall be indemnified and held harmless by the Corporation on an after tax basis from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all threatened, pending or completed claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, and whether formal or informal and including appeals, in which the Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as an Indemnitee (as such term is defined in the Certificate of Incorporation) or by reason of any Write-Down action alleged to have been taken or omitted in such capacity, whether arising from alleged acts or omissions to act occurring on, before or after the date of this Agreement; *provided*, that, the Indemnitee shall not be indemnified and Conversion Powers held harmless if there has been a final and non-appealable judgment entered by the applicable Resolution Authority an arbitral tribunal or a court of competent jurisdiction determining that, in respect of the matter for which the Indemnitee is seeking indemnification pursuant to this Agreement, the Indemnitee acted in bad faith or engaged in fraud or willful misconduct. Notwithstanding the preceding sentence, except as otherwise provided in Section 3(e) of this Agreement, the Corporation shall be required to indemnify the Indemnitee in connection with any liability claim, demand, action, suit or proceeding (or part thereof) commenced by the Indemnitee only if (x) the commencement of such claim, demand, action, suit or proceeding (or part thereof) by the Indemnitee was authorized by the Board of Directors or (y) there has been a final and non-

appealable judgment entered by an Affected Financial Institution.

arbitral tribunal or a court of competent jurisdiction determining that such person was entitled to indemnification by the Corporation. The indemnification of the Indemnitee (by reason of its status as an Indemnitee identified in clause (e) of the

definition of Indemnatee in the Certificate of Incorporation) shall be secondary to any and all indemnification to which the Indemnatee is entitled from, firstly, the relevant other person, and from, secondly, the relevant Fund (if applicable), and will only be paid to the extent the primary indemnification is not paid and the proviso set forth in the first sentence of this Section 1(a) does not apply; *provided*, that, such other person and such Fund shall not be entitled to contribution or indemnification from or subrogation against the Corporation, unless otherwise mandated by applicable law. If, notwithstanding the foregoing sentence, the Corporation makes an indemnification payment or advances expenses to the Indemnatee entitled to primary indemnification, the Corporation shall be subrogated to the rights of the Indemnatee against the person or persons responsible for the primary indemnification. "**Bail-In Legislation Fund**" means (a) any fund, investment vehicle or account whose investments are managed or advised by the Corporation (if any) or an Affiliate thereof.

(b) The indemnification provided by this Agreement shall be in addition to any other rights to which the Indemnatee may be entitled (i) under the Certificate of Incorporation and any agreement, (ii) under any policy of insurance, (iii) pursuant to any vote of the holders of Outstanding Designated Stock entitled to vote on such matter, (iv) as a matter of law, or (v) in equity or otherwise, in each such case, with respect to actions in the Indemnatee's capacity as an Indemnatee (as such term is defined in the Certificate of Incorporation) and actions in any EEA Member Country implementing Article 55 other capacity, and shall continue as to the Indemnatee if he or she has ceased to serve in such capacity.

**Section 2. Advance Payment of Directive 2014/59/EU of Expenses.** To the European Parliament fullest extent permitted by law, expenses (including legal fees and of expenses) incurred by the Council of the European Union, the implementing law, regulation rule Indemnatee in appearing at, participating in or requirement for such EEA Member Country defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Corporation prior to a final and non-appealable determination that the Indemnatee is not entitled to be indemnified upon receipt by the Corporation of an undertaking by or on behalf of the Indemnatee to repay such amount if it ultimately shall be determined that the Indemnatee is not entitled to be indemnified as authorized in this Agreement. Notwithstanding the foregoing, the Indemnatee shall qualify for advances upon the execution and delivery to the Corporation of this Agreement, which shall constitute an undertaking providing that the Indemnatee undertakes to repay the amounts advanced (without interest) to the extent that it is described ultimately determined that Indemnatee is not entitled to be indemnified by the Corporation. No other form of undertaking shall be required other than the execution of this Agreement.

**Section 3. Procedure for Indemnification and Advancement of Expenses; Notification and Defense of Claim.**

(a) Promptly after receipt by the Indemnatee of notice of the commencement of any action, suit, claim or proceeding, the Indemnatee shall, if a claim in respect thereof is to be made against the EU Bail-In Legislation Schedule Corporation hereunder, notify the Corporation in writing of the commencement thereof. The failure to promptly notify the Corporation of the commencement of the action, suit, claim or proceeding, or the Indemnatee's request for indemnification, will not relieve the Corporation from any liability that it may have to the Indemnatee hereunder, except to the extent

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the Corporation is actually prejudiced in its defense of such action, suit, claim or proceeding as a result of such failure. To obtain indemnification or an advancement of expenses under this Agreement, the Indemnatee shall submit to the Corporation a written request therefor, including such documentation and information as is reasonably available to the Indemnatee and is reasonably necessary to enable the Corporation to determine whether and to what extent the Indemnatee is entitled to indemnification and advancement of expenses.

(b) With respect to any action, suit, claim or proceeding of which the Corporation is so notified, as provided in this Agreement, the Corporation, if appropriate, shall be entitled to assume and control the defense of such action, suit, claim or proceeding, with counsel reasonably acceptable to the Indemnatee, upon the delivery to the Indemnatee of written notice of its election to do so, and the Indemnatee shall cooperate with the Corporation in such defense as reasonably requested by the Corporation. After delivery of such notice (but subject to such approval of counsel by the Indemnatee and the retention of such counsel by the Corporation), the Corporation will not be liable to the Indemnatee under this Agreement for any fees of counsel subsequently incurred by the Indemnatee with respect to the United Kingdom, Part I same action, suit, claim or proceeding; *provided*, that, (1) the Indemnatee shall have the right to employ the Indemnatee's own counsel in such action, suit, claim or proceeding at the Indemnatee's expense and (2) if (i) the employment of counsel by the Indemnatee at the Corporation's expense has been previously authorized in writing by the Corporation, or (ii) counsel to the Indemnatee shall have reasonably concluded (evidenced by written notice to the Corporation setting forth the basis for and explanation of such conclusion) that there likely exists a conflict of interest or position, or reasonably believes that such a conflict is likely to arise, on any significant issue between the Corporation and the Indemnatee in the conduct of any such defense, then the fees and expenses of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in Indemnatee's separate counsel shall be at the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Benchmark**" means, initially, with respect to any Term Benchmark Loan or RFR Loan in any Specified Currency, the applicable Relevant Rate for such Specified Currency; *provided* that if a Benchmark Transition Event has occurred with respect to a then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.04(c).

"**Benchmark Replacement**" means with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

- (1) in the case of any Loan denominated in Dollars, the applicable Daily Simple RFR;
- (2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor, if applicable, giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for syndicated credit facilities denominated in the applicable Specified Currency at such time and (b) the related Benchmark Replacement Adjustment; provided that, in the case expense of the immediately preceding clause (b), such adjustment shall not be in the form of an increase of the Applicable Margin.

If the Benchmark Replacement Corporation, except as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes otherwise expressly provided by Section 1 of this Agreement, and the other Loan Documents. Corporation shall not control the defense of such action, suit, claim or proceeding to the extent of such conflict of interest. The Corporation shall not be entitled, without the written consent of the Indemnitee, to assume the defense of any claim brought by or in the right of the Corporation or as to which counsel for the Indemnitee shall in accordance with clause (2)(ii) of the proviso in the immediately preceding sentence have delivered requisite notice regarding the conclusion referred to in such clause.

"**Benchmark Replacement Adjustment**" means, with respect(c) To the fullest extent permitted by law and subject to any replacement the other provisions of this Agreement, the Corporation's assumption of the then-current Benchmark defense of an action, suit, claim or proceeding in accordance with Section 3(b) will constitute an Unadjusted Benchmark Replacement, irrevocable acknowledgement by the spread adjustment, Corporation that any loss and liability suffered by the Indemnitee and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement by or method for calculating the account of the Indemnitee actually and reasonably incurred in connection therewith are indemnifiable by the Corporation under Section 1 of this Agreement (including, to the fullest extent permitted by law, that the Indemnitee has met all applicable standards of conduct).

(d) The determination whether to grant the Indemnitee's request shall be made promptly and in any event within 30 days following the Corporation's receipt of a request for indemnification in accordance with Section 3(a). If the Corporation determines that the Indemnitee is entitled to such indemnification or determining the Corporation has acknowledged such spread adjustment, (which entitlement, the Corporation shall make payment to the Indemnitee of the indemnifiable amount

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within such 30 day period. If the Corporation has not so acknowledged such entitlement or the Corporation's determination of whether to grant the Indemnitee's indemnification request has not been made within such 30 day period, the requisite determination of entitlement to indemnification shall nonetheless be deemed to have been made and the Indemnitee shall be entitled to such indemnification, subject to Section 5, absent (i) a misstatement by the Indemnitee of a material fact, or an omission of a material fact necessary to make the Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under law.

(e) In the event that (i) the Corporation determines in accordance with this Section 3 that the Indemnitee is not entitled to indemnification under this Agreement, (ii) the Corporation denies a request for indemnification, in whole or in part, or fails to respond or make a determination of entitlement to indemnification within 30 days following receipt of a request for indemnification as described above, (iii) payment of indemnification is not made within such 30 day period, (iv) a request for advancement of expenses is not paid in full within 30 days after such request was received by the Corporation, or (v) the Corporation or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder, the Indemnitee shall be entitled to seek an adjudication by, and the Indemnitee's entitlement to such indemnification or advancement of expenses shall be settled by, a court of competent jurisdiction. Alternatively, the Indemnitee, at the Indemnitee's option, may seek an award in arbitration in accordance with Section 15. The Indemnitee's expenses (including attorneys' fees) incurred in connection with successfully establishing the Indemnitee's right to indemnification or advancement of expenses, in whole or in part, in such arbitration or court shall also be indemnified by the Corporation to the fullest extent permitted by law.

(f) The Indemnitee shall be presumed to be entitled to indemnification and advancement of expenses under this Agreement upon submission of a request therefor in accordance with Section 1 or Section 2 of this Agreement, as applicable, and this Section 3. The Corporation shall have the burden of proof in overcoming such presumption, and such presumption shall be used as a basis for a determination of entitlement to indemnification and advancement of expenses unless the Corporation overcomes such presumption by clear and convincing evidence.

**Section 4. Insurance.** The Corporation may purchase and maintain insurance on behalf of the Indemnitee against any liability that may be a positive asserted against, or negative value or zero) expense that has been selected may be incurred by, the Administrative Indemnitee in connection with the Corporation's activities or the Indemnitee's activities on behalf of the Corporation, regardless of whether the Corporation would have the power to indemnify the Indemnitee against such liability under the provisions of this Agreement.



#### Section 5. Limitation on Indemnification

(a) For purposes of this Agreement, (i) the Corporation shall be deemed to have requested the Indemnitee to serve as fiduciary of an employee benefit plan whenever the performance by him or her of his or her duties to the Corporation also imposes duties on, or otherwise involves services by, him or her to the plan or participants or beneficiaries of the plan;

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Agent (ii) excise taxes assessed on the Indemnitee with respect to an employee benefit plan pursuant to applicable law shall constitute "fines" within the meaning of this Agreement; and (iii) any action taken or omitted by the Borrower Indemnitee with respect to any employee benefit plan in the performance of its duties for a purpose reasonably believed by him or her to be in the best interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose that is in the best interests of the Corporation.

(b) Any indemnification pursuant to this Agreement shall be made only out of the assets of the Corporation. None of the stockholders of the Corporation or the members of the Class B Stockholder shall be personally liable for such indemnification and shall have no obligation to contribute or loan any monies or property to the Corporation to enable it to effectuate such indemnification. In no event may the Indemnitee subject any stockholder of the Corporation or any member of the Class B Stockholder to personal liability by reason of the rights to indemnification or advancement of expenses set forth in this Agreement.

(c) The provisions of this Agreement are for the applicable Corresponding Tenor, if applicable, giving due consideration to (i) any selection benefit of the Indemnitee and his or her recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in Dollars or the applicable Alternate Currency, as applicable; provided that such adjustment her heirs, successors, assigns, executors and administrators and shall not be deemed to create any rights for the form benefit of an increase of the Applicable Margin. any other persons.

"Section 6. Benchmark Replacement Conforming Changes Certain Settlement Provisions" means, with respect. The Corporation shall have no obligation to indemnify the use, administration or implementation of Term SOFR or the use, administration, adoption or implementation Indemnitee under this Agreement for any amounts paid in settlement of any Benchmark Replacement, action, suit, claim or proceeding without the Corporation's prior written consent (which may not be unreasonably withheld). The Corporation shall not settle any technical, administrative action, suit, claim or operational changes (including changes proceeding in any manner that would impose any fine or other monetary obligation on the Indemnitee that is not fully indemnified by the Corporation or any equitable relief on the Indemnitee or includes an admission of wrongdoing by the Indemnitee, in each case without the Indemnitee's prior written consent (which may not be unreasonably withheld). To the extent the Corporation has assumed and controls the defense of any action, suit, claim or proceeding in accordance with this Agreement, the Indemnitee shall permit the Corporation to assume and control the definition settlement, negotiation or compromise of "ABR," such action, suit, claim or proceeding, and the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of "Benchmark Replacement", the formula, methodology or convention for applying the successor floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Administrative Agent decides (in consultation Indemnitee shall cooperate with the Borrower) may be appropriate to reflect the adoption and implementation of any such rate and to permit the use and administration thereof Corporation as reasonably requested by the Administrative Agent in a manner substantially consistent with market practice applicable to such rate (or, if the Administrative Agent decides (in consultation with the Borrower) that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, Corporation in such other manner of administration as settlement, negotiation or compromise. The Indemnitee shall not settle, negotiate or compromise any action, suit, claim or proceeding indemnifiable under this Agreement without the Administrative Agent decides (in consultation with the Borrower) is reasonably necessary in connection with the administration Corporation's prior written consent (which may not be unreasonably withheld).

**Section 7. Savings Clause**. If any provision or provisions (or portion thereof) of this Agreement and shall be invalidated on any ground by any arbitral tribunal or court of competent jurisdiction, then the other Loan Documents).

"Benchmark Replacement Date" means, with respect Corporation shall nevertheless indemnify the Indemnitee if the Indemnitee was or is made or is threatened to be made a then-current Benchmark, party or is otherwise involved in any threatened, pending or completed action, suit, claim or proceeding (brought in the earliest to occur right of the following events with respect to Corporation or otherwise), whether civil, criminal, administrative or investigative and whether formal or informal, including appeals, by reason of its status as an Indemnitee (as such then-current Benchmark:

- (1) term is defined in the case Certificate of clause (1) Incorporation), or (2) by reason of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement any action alleged to have been taken or publication of information referenced therein omitted in such capacity, from and (b) the date on which the administrator of such Benchmark (or the published component used against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced settlement reasonably incurred by or on behalf of the

Indemnitee in connection with such action, suit, claim or proceeding, including any

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administrator appeals, to the fullest extent permitted by any applicable portion of such Benchmark (or such component thereof) this Agreement that shall not have been invalidated and to the fullest extent permitted by law.

**Section 8. Contribution.** In order to provide for just and equitable contribution in circumstances in which the indemnification provided for herein is finally settled by an arbitral tribunal or the regulatory supervisor for the administrator a court of such Benchmark (or such component thereof) competent jurisdiction to be non-representative; provided that such non-representativeness will be determined by reference unavailable to the most recent statement Indemnitee in whole or publication referenced in part, it is agreed that, in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For event, the avoidance of doubt, (i) if the event giving rise to a Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the relevant Benchmark Replacement Date will be deemed to have occurred prior Corporation shall, to the Reference Time for such determination and (ii) fullest extent permitted by law, contribute to the relevant "Benchmark Replacement Date" will be deemed to have occurred in the case payment of clause (1) or (2) or with respect to any relevant Benchmark upon the occurrence all of the applicable event or events set forth therein solely to the extent such event applies with respect to all then-current Available Tenors of such Benchmark (or the published component used Indemnitee's loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (1) a public statement or publication of information settlement reasonably incurred by or on behalf of the administrator of such Benchmark (or the published component used Indemnitee in connection with any action, suit, claim or proceeding, including any appeals, in an amount that is just and equitable in the calculation thereof) announcing circumstances; provided, that, without limiting the generality of the foregoing, such contribution shall not be required where such settlement is due to any limitation on indemnification set forth in Section 5 or 6 hereof.

**Section 9. Form and Delivery of Communications.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if delivered by hand, mailed by certified or registered mail with postage prepaid, mailed for overnight delivery by reputable overnight courier or sent by email or facsimile transmission, upon receipt when confirmed that such administrator transmission has ceased been received. Notice to the Corporation shall be sent to 30 Hudson Yards, New York, New York 10001, Attention: General Counsel, facsimile: [\*\*\*\*], confirmation telephone number: [\*\*\*\*] (or at such other address or will cease means of contact that the Corporation shall notify the Indemnitee in writing from time to time). Notice to the Indemnitee shall be sent to: [ ] email: [ ] (or at such other address or means of contact that the Indemnitee shall notify the Corporation in writing from time to time).

**Section 10. Non-exclusivity.** The provisions for indemnification and advancement of expenses set forth in this Agreement shall not be deemed exclusive of any other rights which the Indemnitee may have under any provision of law, in any court in which a proceeding is brought, other agreements or otherwise, and the Indemnitee's rights hereunder shall inure to the benefit of the heirs, successors, assigns, executors and administrators of the Indemnitee. No amendment or alteration of the Certificate of Incorporation or any agreement shall adversely affect the rights provided to the Indemnitee under this Agreement.

**Section 11. Interpretation of Agreement.** It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide all Available Tenors of such Benchmark (or such component thereof), permanently indemnification to the Indemnitee to the fullest extent now or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); hereafter permitted by law.

(2) a public statement **Section 12. Entire Agreement.** This Agreement and the documents expressly referred to herein constitute the entire agreement between the parties hereto with respect to the matters covered hereby, and any other prior or publication of information contemporaneous oral or written understandings or agreements with respect to the matters covered hereby are expressly superseded by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or this Agreement.



(3) a public statement **Section 13. Modification and Waiver.** No supplement, modification, waiver or publication amendment of information this Agreement shall be binding unless executed in writing by or on behalf each of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) parties

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announcing that all Available Tenors of such Benchmark (or such component thereof) are not, hereto. No failure or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" (a) will be deemed to have occurred with respect to any Benchmark solely to the extent that a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**", with respect to each applicable then-current Benchmark, means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.04(c) and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.04(c).

"**Borrowers**" and "**Borrower**" have the respective meanings specified in the heading hereof.

"**Borrowing**" means a borrowing consisting of simultaneous Loans of the same Type made by the Lenders to a Borrower pursuant to Section 2.01.

"**Borrowing Category**" means a Category I Borrowing, a Category II Borrowing, a Category III Borrowing, a Category IV Borrowing or a Category V Borrowing.

"**Broker-Dealer Subsidiary**" means each of (i) KCM U.K., (ii) KCM U.S., ~~KCM Asia~~ (iii) (x) prior to the KCM Asia Reorganization Effective Date, KCM Asia and (y) after the KCM Asia Reorganization Effective Date, KCM Asia II, (iv) KCM Japan, (v) KCM Ireland and (vi) any other direct or indirect broker-dealer Subsidiary of KCMH.

"**Business Day**" means (a) a day on which commercial banks are not authorized by law or required to close in New York City, (b) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a Term Benchmark Loan denominated in an Alternate Currency (other than Euros or Sterling), or a notice with respect thereto, that is also a day on which commercial banks and foreign exchange markets settle payments in the Principal Financial Center for such currency, (c) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for, a Term Benchmark Loan denominated in Euros, or a notice with respect thereto, that is also a Target Operating Day (as defined in Section 9.17), (d) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on, any SONIA Rate Loan, or a notice with respect thereto, a London Banking Day, (e) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a RFR Loan, or a notice with respect thereto, that is also a RFR Business Day and (f) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a Term

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Benchmark Loan, or a notice with respect thereto, that is also a U.S. Government Securities Business Day.

"**Cash Equivalents**" means:

- (a) securities issued or unconditionally guaranteed by the United States government or any agency or instrumentality thereof, in each case having maturities of not more than 12 months from the date of acquisition thereof;
- (b) securities issued ~~delay~~ by any state of the United States or any political subdivision of any such state or any public instrumentality thereof or any political subdivision of any such state or any public instrumentality thereof having maturities of not more than 12 months from the date of acquisition thereof and, at the time of acquisition, having an investment grade rating generally obtainable from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, then from another nationally recognized rating service);
- (c) commercial paper issued by any Lender or any bank holding company owning any Lender;
- (d) commercial paper maturing no more than 12 months after the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);
- (e) certificates of deposit or bankers' acceptances, having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service), maturing no more than one year after the date of acquisition thereof issued by any Lender or any other bank having combined capital and surplus of not less than \$200,000,000 in the case of domestic banks and \$100,000,000 (or the Dollar Equivalent thereof) in the case of foreign banks;
- (f) repurchase agreements with a term of not more than 90 days for underlying securities of the type described in clauses (a), (b) and (e) above entered into with any bank meeting the qualifications specified in clause (e) above or securities dealers of recognized national standing;
- (g) marketable short-term money market and similar funds having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);
- (h) shares of investment companies that are registered under the Investment Company Act of 1940 and substantially all the investments of which are one or more of the types of securities described in clauses (a) through (g) above; and

(i) in the case of any non-U.S. organized Subsidiary or investment made in a country outside the United States, other customarily utilized high-quality investment in the country where such non-U.S. organized Subsidiary is located or in which such investment is made and of a type analogous to the foregoing.

"Category I Borrowing" means a Borrowing made or a Letter of Credit issued for general corporate purposes or to finance the working capital needs of KCMH or any Subsidiary of KCMH, including financing the regulatory capital requirements of any Broker-Dealer Subsidiary.

"Category II Borrowing" means a Borrowing made or a Letter of Credit issued to finance obligations of KCMH or any Subsidiary of KCMH relating to any Senior Debt Transaction.

"Category III Borrowing" means a Borrowing made or a Letter of Credit issued to finance obligations of KCMH or any Subsidiary of KCMH relating to a Subordinated Debt Transaction.

"Category IV Borrowing" means a Borrowing made or a Letter of Credit issued to finance obligations of KCMH or any Subsidiary of KCMH relating to an Equity Bridge Transaction.

"Category V Borrowing" means a Borrowing made to finance KCMH's, or any Subsidiary of KCMH's, facilitation of a debt capital markets "fronting" arrangement pursuant to which KCMH or such Subsidiary is acting as the initial purchaser or lender of a debt instrument that has been reserved by KCMH or such Subsidiary for purchase by another Person from whom an order has been received and such arrangement involves terms that are customary in the market for "fronting" transactions (and such Borrowing, for the avoidance of doubt, shall not be deemed to be outstanding under any other Borrowing Category unless such Borrowing remains outstanding for 45 days after the date on which such Borrowing was initially made, at which time the outstanding amount of such Borrowing shall be converted to, and deemed to be outstanding under, the Borrowing Category that otherwise would have applied based upon the type of transaction being financed); provided that only the portion of a Borrowing constituting such "fronting" arrangement may be deemed a Category V Borrowing, with the portion not constituting such "fronting" arrangement being allocated to such other applicable Borrowing Category. On or prior to the making of a Borrowing any portion of which constitutes a Category V Borrowing, the applicable Borrower shall deliver the certificate required pursuant to Section 4.02(e), which shall specify the "fronting" portion of such Borrowing and the applicable Borrowing Category for any portion that is not a "fronting" portion.

"CBR Loan" means a Loan that bears interest at a rate determined by reference to the Central Bank Rate.

"CBR Spread" means the Applicable Margin, applicable to such Loan that is replaced by a CBR Loan.

"Central Bank Rate" means, (A) the greater of (i) for any Loan denominated in (a) Sterling, the Bank of England (or any successor thereto)'s "Bank Rate" as published by the Bank of England (or any successor thereto) from time to time, (b) Euro, one of the following three rates as may be selected by the Administrative Agent in its reasonable discretion: (1) the fixed rate for the main refinancing operations of the European Central Bank (or any successor thereto), or, if that rate is not published, the minimum bid rate for the main refinancing operations of the European Central Bank (or any successor thereto), each as published by the European Central Bank (or any successor thereto) from time to time, (2) the rate for the marginal lending facility of the European Central Bank (or any successor thereto), as published by the European Central Bank (or any successor thereto) from time to time and (3) the rate for the deposit facility of the central banking system of the Participating Member States, as published by the European Central Bank (or any successor thereto) from time to time and (e) any other Alternate Currency determined after the Closing Date, a central bank rate as determined by the Administrative Agent in its reasonable discretion and (ii) the Floor; plus (B) the applicable Central Bank Rate Adjustment.

"Central Bank Rate Adjustment" means, for any day, for any Loan denominated in (a) Euro, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the EURIBOR Rate for the five most recent Business Days preceding such day for which the EURIBOR Screen Rate was available (excluding, from such averaging, the highest and the lowest EURIBOR Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Euro in effect on the last Business Day in such period, (b) Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of Daily Simple RFR for Sterling Borrowings for the five most recent RFR Business Days preceding such day for which SONIA was available (excluding, from such averaging, the highest and the lowest such Daily Simple RFR applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Sterling in effect on the last RFR Business Day in such period and (c) any other Alternate Currency determined after the Closing Date, a Central Bank Rate Adjustment as determined by the Administrative Agent in its reasonable discretion. For purposes of this definition, (x) the term Central Bank Rate shall be determined disregarding clause (B) of the definition of such term and (y) the EURIBOR Rate on any day shall be based on the EURIBOR Screen Rate on such day at approximately the time referred to in the definition of such term for deposits in the applicable Specified Currency for a maturity of one month.

"Change in Law" means the occurrence, after the date of this Agreement, of the adoption of any law, rule, regulation or treaty, or of any change in applicable law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority having jurisdiction or the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the

United States or foreign regulatory authorities, in each case pursuant to Basel III, as amended (including as such law forms a part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended, including without limitation, by the European Union (Withdrawal Agreement) Act 2020)), shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued; provided further, that any increased costs associated with a Change in Law based on the foregoing clauses (a) and/or (b) may only be imposed to the extent the relevant Lender or Issuing Lender, as applicable, imposes the same charges generally on other similarly situated borrowers under comparable credit facilities.

"Change of Control" means, and shall be deemed to have occurred if, (a) KKR and/or its Affiliates shall at any time not own, directly or indirectly, beneficially and of record, (i) more than 50% of the voting power of the outstanding Voting Shares of KCMH and (ii) at least 25% of the outstanding Equity Interests of KCMH; (b) KCMH shall at any time not own, directly or indirectly, beneficially and of record, more than 50% of the voting power of the outstanding Voting Shares of KCM U.S., KCM U.K. or KCM Asia II; or (c) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of KCMH cease to be composed of individuals who are employees, partners, members, directors or officers of KKR or its Affiliates.

"Closing Date" means March 20, 2020.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" has the meaning specified in the Guarantee and Security Agreement.

"Commitment" means, as to each Lender, the commitment of such Lender to make Loans to the Borrowers under Section 2.01(a)(i) and purchase participations in L/C Exposure in an aggregate amount at any one time outstanding up to the amount set forth opposite such Lender's name on Schedule I or, if such Lender has entered into an Assignment and Assumption, set forth for such Lender in the Register, as such amount may be reduced pursuant to Section 2.04(b).

"Commitment Percentage" means, with respect to any Lender, at any time, the percentage of the Aggregate Facility Amount represented by such Lender's Commitment; provided, that if the Commitments have terminated or expired, the Commitment Percentages shall equal the percentage of aggregate outstanding Loans and L/C Exposure held by such Lender and if there is no outstanding Loans and L/C Exposure, the Commitment Percentage shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

"Commitment Termination Date" means the date five years after the Closing Date, provided that if such date is not a Business Day, the Commitment Termination Date shall be the immediately preceding Business Day.

"Concentration Limits" has the meaning specified in Annex B.

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"Continuation", "Continue" and "Continued" refer to a continuation of Term Benchmark Loans from one Interest Period to the next Interest Period pursuant to Section 3.05(b).

"Control" of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise, and

"Controlling" and "Controlled" have meanings correlative thereto.

"Convert", "Conversion" and "Converted" refer to a conversion of Loans of one Type into Loans of the other Type pursuant to Section 3.04 or Section 3.05, except that no Conversion may be made into Daily Simple RFR Loans denominated in Dollars until after the occurrence of a Benchmark Replacement pursuant to clause (1) of the definition thereof in accordance with Section 3.04(c).

"Corresponding Tenor" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"Cure Right" has the meaning specified in Section 7.02.

"Currencies" means, collectively, Dollars and the Alternate Currencies.

"Daily Simple RFR" means, for any day (an "RFR Interest Day"), a rate per annum equal to, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to:

(a) Dollars, the greater of (i) SOFR for the day (such day, a "Dollar RFR Determination Day") that is five RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website; provided that if by 5:00 p.m. (New York City time) on the second (2nd) RFR Business Day immediately following any Dollar RFR Determination Day, SOFR in respect of such Dollar RFR Determination Day has not been published on the SOFR Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple RFR for Dollars has not occurred, then SOFR for such Dollar RFR Determination Day will be SOFR as published in respect of the first preceding RFR Business Day for which such SOFR was published on the SOFR Administrator's Website; provided further that SOFR as determined pursuant to this proviso shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Interest Days, and (ii) the Floor; and

(b) Sterling, the greater of (i) SONIA for the day (such day, a "Sterling RFR Determination Day") that is five RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, in each case, as such SONIA is published by the SONIA Administrator on

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the SONIA Administrator's Website; provided that if by 5:00 p.m. (London time) on the second (2nd) RFR Business Day immediately following any Sterling RFR Determination Day, SONIA in respect of such Sterling RFR Determination Day has not been published on the SONIA Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple RFR for Sterling has not occurred, then SONIA for such Sterling RFR Determination Day will be SONIA as published in respect of the

first preceding RFR Business Day for which such SONIA was published on the SONIA Administrator's Website; provided further that SONIA as determined pursuant to this proviso shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Interest Days and (ii) the Floor.

"Debt to Equity Ratio" means, as of any date of determination, the ratio of Total Debt to Total Equity.

"Default" means any event or condition that constitutes an Event of Default or that, with notice or lapse of time or both, would become an Event of Default.

"Defaulting Lender" means, subject to Section 3.14(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the requesting Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the Issuing Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within two Business Days of the date when due, (b) has notified KCMH, the Administrative Agent or the Issuing Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or KCMH, to confirm in writing to the Administrative Agent and KCMH that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and KCMH), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any bankruptcy, insolvency, reorganization or similar law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest

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does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 3.14(b)) upon delivery of written notice of such determination to KCMH, the Issuing Lender and each Lender.

"Designated Entity" means at any time, any corporation, partnership, limited liability company or other entity formed or acquired after the Closing Date that is not a Borrower and of which at least a majority but less than 100% of the Voting Shares are at the time directly or indirectly owned or controlled by KCMH or one or more Subsidiaries of KCMH, which has been designated in a written notice from KCMH to the Administrative Agent as a Designated Entity; provided that at the time of such designation (a) no Default or Event of Default would result from such designation and (b) after giving pro forma effect to such designation the Debt to Equity Ratio is less than or equal to <sup>[\*\*]</sup> to 1.00. KCMH may, by written notice to the Administrative Agent, de-designate any Designated Entity and thereafter such entity shall not longer constitute a Designated Entity, but only if (a) no Default or Event of Default would result from such de-designation and (b) after giving pro forma effect to such de-designation the Debt to Equity Ratio is less than or equal to <sup>[\*\*]</sup> to 1.00; provided further that notwithstanding the foregoing, KKR-MM Vector GP LLC, KKR-MM Vector L.P., Merchant Capital Solutions LLC, MCS Corporate Lending LLC, MCS Capital Markets LLC, <sup>[\*\*]</sup>, <sup>[\*\*]</sup>, any entity formed for the purpose of acting in an administrative or other agency roles in respect of financings (with written notice thereof provided by KCMH to the Administrative Agent) and any of their respective direct or indirect subsidiaries, now existing or hereafter formed, shall each be deemed a Designated Entity (unless otherwise de-designated by KCMH in accordance with this definition).

"Determination Day" has the meaning specified in the definition of "Term SOFR".

"Disqualified Equity Interests" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Equity Interests other than Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof (other than solely for Equity Interests other than Disqualified Equity Interests), in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity

<sup>[\*\*]</sup> = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

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Interests, in each case of clauses (a) through (d) above, prior to the date that is ninety-one days after the Commitment Termination Date.

"Dollar Equivalent" means, on any date, with respect to any amount denominated in an Alternate Currency, the amount of Dollars that would be required to purchase such amount of such Alternate Currency at or about 11:00 a.m., Local Time, on such date, for delivery two Business Days later, as determined by the Administrative Agent on the basis of the spot selling rate for the offering of such Alternate Currency for Dollars in the Principal Financial Center for the applicable Alternate Currency, all determinations thereof by the Administrative Agent to be conclusive and binding on the parties in the absence of manifest error.

"Dollar RFR Determination Day" has the meaning specified in the definition of "Daily Simple RFR".

"Dollars" and "\$" refers to lawful money of the United States.

"Domestic Subsidiary" means any Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other Person (other than a natural person) approved by the Administrative Agent and the Issuing Lender and, unless an Event of Default of the kind referred to in Section 7.01(a), 7.01(b), 7.01(g) or 7.01(h) has occurred and is continuing, by KCMH (each such approval not to be unreasonably withheld or delayed); provided, that notwithstanding the foregoing, assignments to any private equity fund, credit fund, hedge fund or other similar investment vehicle shall require the consent of KCMH in its sole discretion.

"Equity Bridge Transaction" means an equity underwriting or commitment of KCMH or any Subsidiary of KCMH.

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"Equity Interests" means shares of capital stock, partnership interests, membership interests in a limited liability company (including any securities convertible or exchangeable for such stock or interests), beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" means any Person that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than those events for which the 30-day notice period is waived pursuant to Department of Labor Reg. Section 4043 as in effect on the date hereof); (b) the failure of any Plan to satisfy the minimum funding standards (as defined in Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from the Borrower or any of its ERISA Affiliates of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"EURIBOR Rate" means, with respect to any Term Benchmark Borrowing denominated in Euros and for any Interest Period, the EURIBOR Screen Rate, two TARGET Days prior to the commencement of such Interest Period.

"EURIBOR Screen Rate" means the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on

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the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters as published at approximately 11:00 a.m. Brussels time two TARGET Days prior to the commencement of such Interest Period.

"Euro" has the meaning specified in Section 9.17.

"Events of Default" has the meaning specified in Section 7.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Excluded Taxes" means, with respect to any recipient of any payment made to or for such recipient's account, arising from any obligation of the Borrowers hereunder to the Administrative Agent and each Lender, Taxes (a) imposed on or measured by its overall net income (however denominated), franchise Taxes and branch profit Taxes, in each case, imposed by a jurisdiction (or any political subdivision thereof) as a result of a connection between such recipient and the jurisdiction (or political subdivision



thereof) imposing such tax (other than any such Taxes that would not have been imposed but for such recipient's execution, delivery or performance of its obligations under, or its receipt of one or more payments pursuant to, this Agreement), (b) that are attributable to such recipient's failure to comply with the requirements of paragraph (e) or (f) of Section 3.11, (c) that are withholding taxes imposed on amounts payable to such recipient pursuant to a law in effect on the date on which (i) such recipient acquires an applicable interest in a Loan or Commitment or (ii) such recipient changes its lending office, except in each case to the extent that such recipient's assignor (if any) or such recipient was entitled, immediately before the time of assignment or immediately before it changed its lending office, to receive additional amounts from the Borrower with respect to such Taxes pursuant to Section 3.11(b) and (d) any withholding Taxes imposed under FATCA. "Existing Credit Agreement" means that certain Second Amended and Restated 5-Year Revolving Credit Agreement dated March 30, 2016 among KCMH, KCL U.S., KCL C.A., KCL T.N., KCL U.K., MHC B as administrative agent and the lenders party thereto, as amended from time to time prior to the date hereof.

"Existing Lenders" means the "Lenders" as defined in the Existing Credit Agreement.

"Existing Letter of Credit" means each letter of credit issued prior to the Closing Date and listed on Schedule III.

"Existing Loans" means any Loans (as defined in the Existing Credit Agreement) outstanding on the Closing Date under the Existing Credit Agreement immediately before the closing of this Agreement.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and

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any law, regulation, rule, promulgation, or official agreement implementing an official government agreement with respect to the foregoing.

"Federal Funds Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Finance Lease Obligation" shall mean, as applied to any Person, an obligation that is required to be accounted for as a finance or capital lease (and not an operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a finance or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

"Finance Subsidiary" means KCL U.K., KCL U.S., KCL C.A., KCL T.N., KCL Cayman, KKR Nitro and any other direct or indirect Subsidiary of KCMH formed for the purpose of providing financing in KCMH's financing business.

"Finance Subsidiary Debt" means Indebtedness under any warehouse credit facility or other similar line of credit entered into for the purpose of funding Indebtedness originated or extended by any Finance Subsidiary.

"Financial Officer" means the chief financial officer, principal financial officer, treasurer, controller or a director of a Borrower.

"Financing Transaction" means any Equity Bridge Transaction, Senior Debt Transaction or Subordinated Debt Transaction.

"Financing Transaction Borrowing" means any Category II Borrowing, Category III Borrowing or Category IV Borrowing.

"FINRA" means the Financial Industry Regulatory Authority, or any other Self Regulatory Organization that succeeds to the functions thereof.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Dollars or any Alternate Currency. For the avoidance of doubt the initial Floor for each of Term SOFR, EURIBOR Rate, each Daily Simple RFR and the Central Bank Rate shall be 0.0%.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

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"Fund" means any Person (other than a natural person) that is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"General Partner" means KKR Capital Markets Holdings GP LLC, a Delaware limited liability company.

"GAAP" means accounting principles generally accepted in the United States as in effect from time to time.

"Governmental Authority" means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" or of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or to advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of

assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guarantee issued to support such Indebtedness; provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made (or, if such Guarantee is limited by its terms to a lesser amount, such lesser amount) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

"Guarantee and Security Agreement" means the Third Amended and Restated Guaranty and Security Agreement, dated as of the date hereof, among the Obligors and the Administrative Agent in substantially the form of Exhibit B, as from time to time amended, modified or supplemented.

"Guarantors" means, at any time, collectively, those Subsidiaries of KCMH that are parties to the Guarantee and Security Agreement.

"Hedging Agreement" means any interest rate protection agreement, foreign currency exchange agreement or other derivative transaction.

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"Indebtedness" of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or similar instruments, (b) the deferred purchase price of assets or services that in accordance with GAAP would be included as a liability on the balance sheet of such Person, (c) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder and all direct obligations arising under bankers' acceptances, bank guarantees, surety bonds and similar instruments, (d) all Indebtedness of any other Person secured by any Lien on any property owned by such Person, whether or not such Indebtedness has been assumed by such Person, (e) the principal component of all Finance Lease Obligations, (f) all obligations of such Person under interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity price protection agreements or other commodity price hedging agreements and other similar agreements, (g) without duplication, all Guarantees by such Person of Indebtedness of others and (h) all obligations of such Person in respect of Disqualified Equity Interests, provided that Indebtedness shall not include (i) trade and other ordinary course payables and accrued expenses arising in the ordinary course of business, (ii) deferred or prepaid revenue and (iii) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller. The amount of Indebtedness of any Person for purposes of clause (d) shall be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith.

"Indemnified Taxes" means (a) Taxes other than Excluded Taxes, and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitor" has the meaning specified in Section 9.04(b).

"Intercreditor Agreement" means that certain First Lien Intercreditor Agreement dated April 8, 2022, among the Administrative Agent, the administrative agent in respect of the 364-Day Credit Agreement, the other parties thereto from time to time and acknowledged by the Obligors, as from time to time amended, modified, supplemented or replaced.

"Interest Period" means, for any Term Benchmark Loan, the period beginning on the date such Term Benchmark Loan is made, or Continued or Converted from an ABR Loan, and ending on the last day of the period selected by the Borrower pursuant to the provisions below, and thereafter each subsequent period commencing on the last day of the immediately preceding Interest Period therefor and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one month, or if agreed by the Administrative Agent, three or six months (or if available to all relevant Lenders, twelve months), as the Borrower may select by notice to the Administrative Agent no later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to such twelve month periods, fourth Business Day) prior to the first day of such Interest Period.

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Notwithstanding the foregoing:

- (w) if any Interest Period would otherwise commence before and end after the Commitment Termination Date, such Interest Period shall end on the Commitment Termination Date,
- (x) each Interest Period that would otherwise end on a day that is not a Business Day shall end on the next succeeding Business Day, unless such next succeeding Business Day would fall in the succeeding month, in which case such Interest Period shall end on the next preceding Business Day,
- (y) each Interest Period that commences on the last day of a month (or on any day for which there is no numerically corresponding day in the appropriate subsequent month) shall end on the last Business Day of the appropriate subsequent calendar month, and
- (z) Interest Periods commencing on the same day for Term Benchmark Loans comprising part of the same Borrowing shall be of the same duration.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person.

"Issuing Lender" means MHC B, and/or any other Lender from time to time designated as an Issuing Lender in a writing signed by such Lender, KCMH and the Administrative Agent (MHC B and such other Lender being collectively referred to herein as the "Issuing Lender" unless the context otherwise requires).

"KCL Cayman" means KKR Corporate Lending (Cayman) Ltd., a Cayman limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCL C.A." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL T.N." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL U.K." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL U.S." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

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"KCMH" has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCM Asia" means KKR Capital Markets Asia Limited, a Hong Kong ~~limited liability~~ company limited by shares, and includes any successor thereto in accordance with this Agreement.

"KCM Asia II" means KKR Capital Markets Asia II Limited, a Hong Kong company limited by shares, and includes any successor thereto in accordance with this Agreement.

"KCM Asia Reorganization Effective Date" means the date upon which KCM Asia ceases to be a subsidiary of KCMH; provided that on or prior to such date, (i) KCM Asia II has become a licensed corporation under the SFO to carry on Type 1 and Type 4 regulated activities and (ii) KKR Asia LLC has received SFC approval to be a substantial shareholder of KCM Asia.

"KCM Group Entity" means KCMH and any entity in which KCMH, directly or indirectly, owns an Equity Interest.

"KCM Ireland" means KKR Capital Markets (Ireland) Limited, an Ireland limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM Japan" means KKR Capital Markets Japan Holdings LLC, a Delaware limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM U.S." means KKR Capital Markets LLC, a Delaware limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM U.K." means KKR Capital Markets Limited, a United Kingdom limited liability company, and includes any successor thereto in accordance with this Agreement.

"KKR" means Kohlberg Kravis Roberts & Co. L.P., a Delaware limited partnership and includes any successor thereto in accordance with this Agreement.

"KKR Nitro" means KKR Nitro Holdings Limited, a Cayman limited liability company, and includes any successor thereto in accordance with this Agreement.

"L/C Exposure" means, at any time, the sum of (a) the aggregate undrawn face amount of all outstanding Letters of Credit and (b) the aggregate amount of unreimbursed L/C Payments under all outstanding Letters of Credit (or, if applicable with respect to clauses (a) and (b), the Dollar Equivalent thereof).

"L/C Payment" means a payment by an Issuing Lender of a draft or demand drawn under a Letter of Credit.

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"L/C Reimbursement Obligation" means the obligation of a Borrower to reimburse an Issuing Lender for an L/C Payment pursuant to Section 2.02(d)(ii).

"L/C Related Documents" has the meaning specified in Section 2.02(c)(i).

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case, whether or not having the force of law.

"Lead Arranger" means MHC B, in its capacity as sole lead arranger and sole bookrunner.

"Lender" means each bank or other financial institution listed on the signature pages hereof and each Person that shall become a party hereto pursuant to 9.06.

"Letter of Credit" has the meaning specified in Section 2.02(a)(i) and shall include each Existing Letter of Credit.

"Letter of Credit Facility Amount" means the lesser of (a) \$750,000,000 and (b) the Aggregate Facility Amount.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" has the meaning specified in Section 2.01(a)(i).

"Loan Documents" means, collectively, this Agreement, the Notes, the Guarantee and Security Agreement and the Intercreditor Agreement.



"Local Time" means (a) with respect to any Loan denominated or any payment to be made in Dollars, New York time, and (b) with respect to any Term Benchmark Loan or RFR Loan denominated or any payment to be made in an Alternate Currency, the local time in the Principal Financial Center for such Alternate Currency.

"London Banking Day" means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London.

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"Majority Lenders" means, at any time, (a) Lenders holding more than 50% of the Commitments, or (b) if the Commitments have terminated or expired, Lenders having collectively more than 50% of the sum of (i) aggregate amount of the unpaid principal amount of the Loans and (ii) L/C Exposure (computed at any time, in the case of Loans and L/C Exposure denominated in an Alternate Currency, as the Dollar Equivalent thereof as determined by the Administrative Agent); provided that the unused Commitment of, and the portion of the Total Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Majority Lenders.

"Material Adverse Effect" means a material adverse effect on (a) the business, financial condition, properties or operations of KCMH and its Subsidiaries taken as a whole, (b) the ability of any Obligor to perform any of its material obligations under any Loan Document or (c) the material rights and remedies of, or benefits available, to the Administrative Agent or the Lenders under any Loan Document.

"Material Foreign Subsidiary" means any Foreign Subsidiary (inclusive of its Subsidiaries) that, as of the last day of the fiscal quarter of KCMH most recently ended for which financial statements have been delivered pursuant to Section 6.01(a)(i) or (ii), (a) generated over 25% of consolidated revenues of KCMH and its Subsidiaries for the period of two years ended at the end of such fiscal quarter or (b) to which more than \$[\*] of the Aggregate Facility Amount has been funded as of such date and has been funded for the period of six months immediately preceding such date.

"Material Indebtedness" means Indebtedness of the type described in clause (a) of the definition thereof issued or incurred under any agreement or instrument in an aggregate outstanding principal amount of \$[\*] or more.

"Material Subsidiary" means any Subsidiary that constitutes a "significant subsidiary" as defined under Regulation S-X promulgated by the SEC, as in effect from time to time; provided that each of KCM U.S. and KCM U.K. shall be a Material Subsidiary.

"MHC B" means Mizuho Bank, Ltd. or any successor thereto.

"Moody's" means Moody's Investors Service, Inc. or any successor thereto.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-U.S. Lender" has the meaning specified in Section 3.11(e).

"Note" has the meaning specified in Section 2.01(e).

[\*] = Certain information contained in this document, marked by "[\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

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"Notice of Borrowing" has the meaning specified in Section 2.01(b)(ii).

"Notice of Issuance" has the meaning specified in Section 2.02(c)(i).

"Obligations" means (a) all obligations of the Borrowers under the Loan Documents to pay the principal of and interest on the Loans and the L/C Reimbursement Obligations and all fees, premiums, costs, expenses, indemnification payments and other amounts or obligations whatsoever, whether direct or indirect, absolute or contingent, now or hereafter from time to time owing to the Secured Creditors arising under, out of, or in connection with the Loan Documents and all obligations of the Borrowers to any Lender (or any Affiliate thereof) under any Hedging Agreement and (b) in the case of each of the foregoing, including all interest thereon and expenses related thereto, including any interest or expenses accruing or arising after the commencement of any case with respect to any Obligor under the United States Bankruptcy Code or any other bankruptcy or insolvency law (whether or not such interest or expenses are allowed or allowable as a claim in whole or in part in such case).

"Obligors" means, collectively, the Borrowers and the Guarantors.

"Other Taxes" means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document, except any such taxes imposed with respect to an assignment.

"Participant" has the meaning specified in Section 9.06(d).

"Participant Register" has the meaning specified in Section 9.06(d).

"Patriot Act" has the meaning specified in Section 9.15.

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in Section 4002 of ERISA and any successor entity performing similar functions.

"Permitted Liens" means:

- (a) Liens for taxes, assessments or governmental charges or claims not yet overdue for a period of more than 30 days or that are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established to the extent required by and in accordance with GAAP, or for property taxes on property that the Borrower or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge or claim is to such property;
- (b) Liens in respect of property or assets of KCMH or any of its Subsidiaries imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens arising in the ordinary course of business, in each case so long as such

- Liens arise in the ordinary course of business and do not individually or in the aggregate have a Material Adverse Effect;
- (c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under 7.01(j);
  - (d) Liens incurred or deposits made in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business;
  - (e) ground leases in respect of real property on which facilities owned or leased by the Borrower or any of its Subsidiaries are located;
  - (f) easements, rights-of-way, restrictions, minor defects or irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business of KCMH and its Subsidiaries, taken as a whole;
  - (g) any interest or title of a lessor or secured by a lessor's interest under any lease permitted by this Agreement;
  - (h) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;
  - (i) leases, licenses, subleases or sublicenses granted to others not interfering in any material respect with the business of KCMH and its Subsidiaries, taken as a whole;
  - (j) Liens arising from precautionary UCC financing statement or similar filings made in respect of operating leases entered into by the Borrower or any of its Subsidiaries;
  - (k) Liens created in the ordinary course of business in favor of banks and other financial institutions over credit balances of any bank accounts, brokerage accounts or commodities accounts of KCMH and its Subsidiaries held at such banks or financial institutions, including any accounts maintained with any clearing or settlement bank or other financial institution; and
  - (l) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct of the business of KCMH and its Subsidiaries, taken as a whole.

"Permitted Subordinated Debt" shall mean senior subordinated notes, or other senior subordinated Indebtedness, issued by a Borrower or any Guarantor, (a) the terms of which (i) do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to a date 91 days after Commitment Termination Date

(other than customary offers to purchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default) and (ii) provide for customary subordination to the obligations of the Obligors under the Loan Documents, (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to KCMH and its Subsidiaries than those herein; provided that a certificate of a Financial Officer of KCMH is delivered to the Administrative Agent at least seven Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that KCMH has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies KCMH within such period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), (c) of which no Subsidiary of KCMH (other than a Guarantor) is an obligor and (d) after giving proforma effect to the issuance thereof, KCMH shall be in compliance with the financial covenant set forth in Section 6.03.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pledged Equity" has the meaning specified in the Guarantee and Security Agreement.

"Principal Financial Center" means, for any Currency, the principal financial center in the country of issue of such Currency, as reasonably determined by the Administrative Agent.

"Property" of any Person means any property or assets, or interest therein, of such Person.

"Reference Time" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is Term SOFR, 5:00 a.m. (New York time) on the day that is two Business Days preceding the date of such setting, (2) if such Benchmark is EURIBOR Rate, 11:00 a.m. Brussels time two TARGET Days preceding the date of such setting, (3) if such Benchmark is Daily Simple RFR, then four Business Days prior to such setting, or (4) if such Benchmark is none of Term SOFR, the EURIBOR Rate or Daily Simple RFR, the time determined by the Administrative Agent in its reasonable discretion.

"Register" has the meaning specified in Section 9.06(c).

"Regulations T, U and X" means, respectively, Regulations T, U and X of the Board of Governors of the Federal Reserve System (or any successor), as from time to time amended, modified or supplemented.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means (i) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, (ii) with respect to a Benchmark Replacement in respect of RFR Loans denominated in Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto, or (iii) with respect to a Benchmark Replacement in respect of Loans denominated in an Alternate Currency (other than Sterling), (a) the central bank for such Alternate Currency in which such Benchmark is denominated or any central bank or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), (b) any working group or committee officially endorsed or convened by (1) the central bank for such Alternate Currency in which such Benchmark is denominated, (2) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark or (B) the administrator of such Benchmark, (3) a group of those central banks or other supervisors, (4) the Financial Stability Board or any part thereof, (c) an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), (d) a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or (e) a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component).

"Relevant Rate" means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, Term SOFR, (ii) with respect to any Term Benchmark Borrowing denominated in Euros, the EURIBOR Rate or (iii) with respect to any Borrowing denominated in Sterling (or, subject to Section 3.04(c) Dollars), the applicable Daily Simple RFR, as applicable.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of any Person, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such capital stock or other Equity Interest,

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or on account of any return of capital to any Person's stockholders, partners or members (or the equivalent Person thereof).

"RFR" means, for any RFR Loan denominated in (a) Dollars, SOFR, and (b) Sterling, SONIA.

"RFR Borrowing" means, as to any Borrowing, the RFR Loans comprising such Borrowing.

"RFR Business Day" means, for any Loan denominated in (a) Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London and (b) Dollars, a U.S. Government Securities Business Day.

"RFR Interest Day" has the meaning specified in the definition of "Daily Simple RFR".

"RFR Loan" means a Loan that bears interest at a rate based on the Daily Simple RFR.

"Rule 15c3-1" means Rule 15c3-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act (17 CFR 240, 15c3-1), as from time to time amended, modified or supplemented, or such other rule or regulation of the SEC which replaces Rule 15c3-1.

"S&P" means Standard & Poor's Rating Services or any successor thereto.

"Screen Rate" means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, the Term SOFR Reference Rate or (ii) with respect to any Term Benchmark Borrowing denominated in Euros, the EURIBOR Screen Rate, as applicable, as applicable.

"Secured Creditors" means, collectively, the Lenders (including each Issuing Lender) and the Administrative Agent, any other holder from time to time of any of the Obligations and, in each case, their respective successors and assigns.

"Senior Debt Transaction" means a senior debt underwriting or commitment of KCMH or any Subsidiary of KCMH.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to the principal functions thereof.

"Self Regulatory Organization" has the meaning assigned to such term in Section 3(a)(26) of the Exchange Act.

"SFC" means the Securities and Futures Commission of Hong Kong.

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"SFO" means the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong.

"SIPA" means the Securities Investor Protection Act of 1970, as from time to time amended, modified or supplemented.

"SIPC" means the Securities Investor Protection Corporation established pursuant to SIPA or any other corporation succeeding to the principal functions thereof.

"SOFR" means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"Solvent" and "Solvency" mean, with respect to any Person, that as of the Closing Date, (a) (i) the sum of such Person's debts (including contingent liabilities) does not exceed the present fair saleable value of such Person's present assets; (ii) such Person's capital is not unreasonably small in relation to its business as contemplated on the Closing Date; and (iii) such Person has not incurred and does not intend to incur, or believe that it will incur, debts including current obligations beyond its ability to pay such debts as they become due (whether at maturity or otherwise); and (b) such Person is "solvent" within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition,

the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

“SONIA” means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator’s Website on the immediately succeeding Business Day.

“SONIA Administrator” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“SONIA Administrator’s Website” means the Bank of England’s website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

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“SONIA Rate” when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, which are bearing interest at a rate determined by reference to the Daily Simple RFR for Loans denominated in Sterling.

“Sterling” means the lawful currency of the United Kingdom.

“Sterling RFR Determination Day” has the meaning specified in the definition of “Daily Simple RFR”.

“Subordinated Debt Transaction” means a subordinated debt underwriting or commitment of KCMH or any Subsidiary of KCMH.

“Subordinated Indebtedness” means any Permitted Subordinated Debt or any other Indebtedness the terms of which provide for customary subordination in right of payment to the obligations of a Borrower or any of its Subsidiaries, as applicable, under this Agreement and the other Loan Documents.

“Subsidiary” means, at any time, any corporation, partnership, limited liability company or other entity of which at least a majority of the Voting Shares are at the time directly or indirectly owned or controlled by KCMH or one or more Subsidiaries of KCMH; provided that no Designated Entity shall be a Subsidiary.

“Support Payment” has the meaning specified in Section 2.06(a).

“Taxes” means all present and future taxes, duties, levies, imposts, deductions, charges or withholdings or similar charges, with respect to any amount payable on or in respect of any Loan Document, Loans, Notes or Letters of Credit, and all interest, penalties and similar amounts with respect thereto, now or thereafter imposed, assessed, levied or collected by any jurisdiction from which any amount payable under the Loan Documents is paid, or any political subdivision or taxing authority thereof or therein, or any organization or federation of which any of the foregoing may be a member or associated.

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

“TARGET Day” means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

“Term Benchmark” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to Term SOFR (other than pursuant to clause (c) of the definition of “ABR”) or the EURIBOR Rate.

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“Term SOFR” means,

(a) for any calculation with respect to a Term Benchmark Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Determination Day; and

(b) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “ABR Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day.

provided, further, that if Term SOFR determined as provided above (including pursuant to the provision under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor,

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.  
"Total Credit Exposure" means, at any time, the sum of (a) the aggregate outstanding principal amount of the Loans (being the Dollar Equivalent thereof in the

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case of Loans denominated in an Alternate Currency) plus (b) the aggregate outstanding L/C Exposure.  
"Total Debt" means, at any date, (a) all Indebtedness of the types described in clause (a), clause (c) (but, in the case of clause (c), only to the extent of any unreimbursed drawings under any letter of credit) and clause (e) of the definition thereof actually owing by KCMH and/or its Subsidiaries on such date to the extent appearing on the consolidated balance sheet of KCMH determined in accordance with GAAP (provided that the amount of any Finance Lease Obligations or any such Indebtedness issued at a discount to its face value shall be determined in accordance with GAAP) minus (b) the aggregate cash and Cash Equivalents included on the consolidated balance sheet of KCMH as at such date to the extent the use thereof for application to the payment of Indebtedness is not prohibited by law or any contract to which KCMH or any Subsidiary is a party; provided that for the purposes of this definition, Indebtedness shall not include (i) any Finance Subsidiary Debt (unless such Indebtedness is incurred by a Finance Subsidiary that is also a Borrower under this Agreement), (ii) any liabilities includable solely based on the application of ASC 810 or ASC 860 and (iii) any Indebtedness of any Designated Entity.  
"Total Equity" means, as of any date of determination, (a) KCMH's consolidated partners' capital (or stockholders' equity, as the case may be) measured on a GAAP basis, minus (b) the sum of (i) any declared but unpaid distribution or dividend to KCMH's general or limited partners (or any other equity holders) and (ii) any loans or advances made to KCMH's general or limited partners (or any other equity holders); provided that Total Equity shall not include KCMH's partners' capital (or stockholders' equity, as the case may be) attributable to any Designated Entity and, in the event all or a substantial portion of the equity in a Finance Subsidiary is pledged to a third party, such Finance Subsidiary.  
"Type" refers to whether a Loan is an ABR Loan, a Term Benchmark Loan or a RFR Loan.  
"UCC" means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.  
"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

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"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"United States" or "U.S." means the United States of America.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"Voting Shares" means, with respect to any Person, such Person's Equity Interests having the right to vote for the election of directors, or other individuals performing similar functions, of such Person under ordinary circumstances.

"Wholly-Owned Subsidiary" means, with respect to any Person, any Subsidiary of which all of the Equity Interests (other than, in the case of a corporation, directors' qualifying shares) are directly or indirectly owned or controlled by such Person or one or more Wholly-Owned Subsidiaries of such Person or by such Person and one or more Wholly-Owned Subsidiaries of such Person.

"Withdrawal Liability" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to but excluding". The words "include", "includes" and "including" shall be deemed in each case to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any

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agreement, instrument or other document herein shall be construed in each case as referring to such agreement, instrument or other document as from time to time amended, modified or supplemented, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed in each case to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import shall be construed in each case to refer to this Agreement in its entirety and not to any particular provision hereof, and (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement. For the avoidance of doubt, references in Articles VIII and IX to the Lenders shall include in each case the Issuing Lender, unless the context otherwise requires. For the purposes of Section 2.05 only, the term "Borrower" or "Borrowers" shall exclude any Broker-Dealer Subsidiary.

SECTION 1.03. Accounting Terms; GAAP; Calculation of Debt to Equity Ratio.

(a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that if the Borrower notifies the Administrative Agent that it requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

(b) Calculation of the Debt to Equity Ratio shall be based on relevant information in the financial statements and asset schedules delivered pursuant to Sections 6.01(a)(i), (ii) and (vi) giving proforma effect to such information where appropriate; provided that the amount of Total Debt shall be the amount outstanding as of the date of determination after giving effect to the incurrence of any Indebtedness on such date of determination.

SECTION 1.04. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 1.05. Interest Rates. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or with respect to any alternative, successor or replacement rate thereof (including any Benchmark Replacement), or

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any calculation, component definition thereof or rate referenced in the definition thereof, including, without limitation, (i) any such alternative, successor or replacement rate (including any Benchmark Replacement) implemented pursuant to Section 3.04 upon the occurrence of a Benchmark Transition Event, and (ii) the effect, implementation or composition of any Benchmark Replacement Conforming Changes pursuant to Section 3.04(c), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or have the same volume or liquidity as did ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark prior to its discontinuance or unavailability. In addition, the discontinuation of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark and any alternative, successor or replacement reference rate may result in a mismatch between the reference rate referenced in this Agreement and your other financial instruments, including potentially those that are intended as hedges. The Administrative Agent and its Affiliates and/or other related entities may engage in transactions that affect the calculation of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or any alternative, successor or replacement rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, with all determinations of such ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or such alternative, successor or replacement rate by the Administrative Agent to be conclusive, absent manifest error. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or any such alternative, successor or replacement rate, in each case pursuant to the terms of this Agreement (as amended, amended and restated, supplemented or otherwise modified from time to time), and shall have no liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II

THE COMMITMENTS

SECTION 2.01. The Loans.

(a) (1) Each Lender severally agrees, on and subject to the terms and conditions of this Agreement, to make loans to the Borrowers under this Section 2.01(a)(i) (each, a "Loan") from time to time on any Business Day during the Availability Period, in an aggregate principal amount at any one time outstanding up to but not exceeding the Commitment of such Lender and, as to all Lenders and all Borrowers, in an aggregate principal amount at any one time outstanding up to but not exceeding the Aggregate Borrowing Availability (or the Alternate Currency Equivalent thereof).

- (i) ABR Loans shall be denominated in Dollars, Term Benchmark Loans may be denominated in Dollars or Euros, and RFR Loans shall be denominated in Sterling (or subject to a Benchmark Replacement, Dollars).
- (ii) Anything in this Agreement to the contrary notwithstanding, (A) the Total Credit Exposure shall not at any time exceed the then Aggregate Facility Amount and (B) the obligation of the Lenders to make Loans is subject to the Concentration Limits.
- (iii) Within such limits, the Borrowers may from time to time borrow under this Section 2.01, prepay Loans in whole or in part pursuant to Section 3.06(a) and reborrow under this Section 2.01.
- (iv) The Borrowers shall be co-borrowers with respect to each Borrowing, and shall be jointly and severally liable for all obligations and liabilities with respect thereto in accordance with Sections 2.05 and 2.06.

(b)Borrowing Procedure. (2) Each Borrowing shall be in a minimum amount of \$5,000,000 in the case of a Borrowing of Term Benchmark Loans and RFR Loans, or \$1,000,000, in the case of a Borrowing of ABR Loans, or in each case an integral multiple of \$1,000,000 in excess thereof (or, in the case of a Borrowing denominated in an Alternate Currency, the Alternate Currency Equivalent thereof, rounded to the nearest 1,000 units of such Alternate Currency), and shall be made on notice by the requesting Borrower to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of such Borrowing in the case of a Borrowing consisting of Term Benchmark Loans or RFR Loans or not later than 11:00 a.m. (New York time) on the date of such Borrowing in the case of a Borrowing consisting of ABR Loans, and the Administrative Agent shall give each Lender prompt notice thereof.

- (i) Each such notice of a Borrowing (a "Notice of Borrowing") shall be irrevocable and binding on the Borrowers and shall be in substantially the form of Exhibit C, specifying therein the requested (1) date of such Borrowing (which shall be a Business Day), (2) Type of Loans comprising such Borrowing, (3) the applicable Borrowing Category (or as applicable Borrowing Categories), (4) aggregate amount of such Borrowing, stated in Dollars, and the Currency thereof and (5) in the case of a Borrowing of Term Benchmark Loans, initial Interest Period for such Loans.
- (ii) Each Lender shall, before 1:00 p.m. (New York time) on the date of such Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at the Administrative Agent's Account, in same day funds, such Lender's ratable portion of such Borrowing.
- (iii) After the Administrative Agent's receipt of such funds, and subject to the satisfaction of the applicable conditions set forth in Article IV, the Administrative Agent will make such funds available to the requesting Borrower by promptly crediting the

amounts so received, in like funds, to such account of such Borrower as the Administrative Agent and such Borrower may agree.

- (iv) If the requesting Borrower fails to specify a Type of Loan in a Notice of Borrowing, then the applicable Loans shall be made as ABR Loans. If the requesting Borrower fails to provide a timely notice of Conversion or Continuation with respect to a Borrowing of Term Benchmark Loans, then such Borrower shall be deemed to have requested a Continuation with respect thereto with an Interest Period of one month. If the requesting Borrower requests a Borrowing of, Conversion to, or Continuation of Term Benchmark Loans in any such Notice of Borrowing, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. If the requesting Borrower requests a Borrowing of, Conversion to, or Continuation of Term Benchmark Loans in any such Notice of Borrowing, but fails to specify the Currency thereof, it will be deemed to have specified such Loans in Dollars.

- (v) After giving effect to all Borrowings, all Conversions and all Continuations, there shall not be more than 15 Interest Periods in effect.

For the avoidance of doubt, in no event shall any Borrower be permitted to request a Daily Simple RFR Loan denominated in Dollars until after the occurrence of a Benchmark Replacement pursuant to clause (1) of the definition thereof in accordance with Section 3.04(c).

(c)Types of Loans. Each Borrowing and each Conversion or Continuation thereof shall consist of Loans of the same Type (and, if such Loans are Term Benchmark Loans, having the same Interest Period) made, Continued or Converted on the same day by the Lenders ratably according to their Commitment Percentages.

(d)Accounts. (3) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

- (i) The Administrative Agent shall maintain accounts in which it shall record (x) the amount of each Loan, the Type thereof, the Borrowing Category applicable thereto and the Interest Period applicable thereto, (y) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (z) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.
- (ii) The entries made in the accounts maintained pursuant to this clause (d) shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided, that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans made to any Borrower or make payments for other obligations (including L/C Reimbursement Obligations) in accordance with the terms of this Agreement.

(e)Notes. Any Lender may, through the Administrative Agent, request that the Loans to be made by it be evidenced by a promissory note of the Borrowers. In such event, the Borrowers shall prepare, execute and deliver to such Lender a joint and several promissory note payable to such Lender (or its registered assigns), substantially in the form of Exhibit A (each, a "Note"), in the amount of the Commitment of such Lender, dated the Closing Date and otherwise appropriately completed.

(f) To the extent that prior to the Closing Date, Existing Loans were made to the Borrower under the Existing Credit Agreement which remain outstanding as of the Closing Date, subject to the terms and conditions set forth in this Agreement, the parties hereto agree that on the Closing Date, the Existing Loans shall be re-evidenced as Loans under this Agreement and the terms of the Existing Loans shall be evidenced by this Agreement.

SECTION 2.02. Letter of Credit Facility.

(a)Letters of Credit. (4) Each Issuing Lender agrees, on and subject to the terms and conditions of this Agreement, to issue one or more letters of credit (each, a "Letter of Credit") for the account of a Borrower from time to time on any Business Day during the period from the Closing Date until the date ten Business Days before the Commitment Termination Date, provided, that the total L/C Exposure with respect to Letters of Credit may not at any time exceed the Letter of Credit Facility Amount.

(i) Letters of Credit may be denominated in Dollars or any Alternate Currency, as requested in writing by the Borrower.

(ii) Anything in this Agreement to the contrary notwithstanding, the issuance of Letters of Credit shall be subject to the limitations set forth in Section 2.01(a)(iii) and to the Concentration Limits.

(iii) Within the foregoing limits, and subject to the terms and conditions hereof, a Borrower's ability to obtain Letters of Credit shall be revolving, and accordingly a Borrower may, during the period referred to in clause (i) above, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(iv) The Borrowers shall be co-obligors with respect to each Letter of Credit, and shall be jointly and severally liable for all obligations and liabilities with respect thereto in accordance with Sections 2.05 and 2.06.

(b)Terms; Issuance. (5) Each Letter of Credit shall be in a form reasonably satisfactory to the relevant Issuing Lender and have a stated expiration date that is no later than the earlier of (x) one year after its date of issuance and (y) five Business Days prior to the Commitment Termination Date; provided that a Letter of Credit with a one-year tenor may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond a date five Business Days prior to the Commitment Termination Date (except that one or more Letters of Credit may expire up to one year after the Commitment Termination Date if each

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such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the Borrowers, the relevant Issuing Lender and the Administrative Agent)).

(i) An Issuing Lender shall be under no obligation to issue any Letter of Credit if (A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Lender from issuing such Letter of Credit, or any law applicable to such Issuing Lender or any directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Lender shall prohibit, or direct that such Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Lender with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Lender is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such Issuing Lender any unreimbursed loss, cost or expense which was not applicable on the Closing Date (for which such Issuing Lender is not otherwise compensated hereunder), or (B) the issuance of such Letter of Credit would violate any laws binding upon such Issuing Lender.

(c)Issuance Procedure. (6) Each Letter of Credit shall be issued upon notice, given not later than 11:00 a.m. (New York time) on the third Business Day prior to the proposed issuance date of such Letter of Credit, by the requesting Borrower to the relevant Issuing Lender (or such shorter notice as shall be acceptable to such Issuing Lender), with a copy to the Administrative Agent, and the Administrative Agent shall give to each Lender prompt notice thereof by telecopier or email. Each such notice from the requesting Borrower (a "Notice of Issuance") shall be by telecopier or email, confirmed promptly by hard copy, specifying therein the Issuing Lender and the requested date of issuance (which shall be a Business Day) of such Letter of Credit, its face amount and expiration date and the name and address of the beneficiary thereof, and shall attach the proposed form thereof (or such other information as shall be necessary to prepare such Letter of Credit). If requested by the applicable Issuing Lender, the requesting Borrower shall supply such application and agreement for letter of credit, in the form reasonably satisfactory to the relevant Issuing Lender, as the relevant Issuing Lender may require in connection with such requested Letter of Credit ("L/C Related Documents") along with such other information reasonably related to the requested Letter of Credit.

(i) If the proposed Letter of Credit complies with the requirements of this Section 2.02, such Issuing Lender will, unless the Issuing Lender has received written notice from the Administrative Agent, that one or more of the applicable conditions set forth in Article IV shall not be satisfied, make such Letter of Credit available to the requesting Borrower as agreed with the requesting Borrower in connection with such issuance. In the event and to the extent that the provisions of any L/C Related Documents shall conflict with this Agreement, the provisions of this Agreement shall govern.

(ii) Each Issuing Lender shall furnish (A) upon request of the Administrative Agent, copies of the Letters of Credit issued by it hereunder, and (B) to the Administrative Agent on the first Business Day of each fiscal quarter a written report

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setting forth the Letters of Credit issued in Alternate Currencies, solely for purposes of determining the Dollar Equivalent thereof.

(d)Reimbursement; Syndicate Participation. (7) Automatically upon the issuance of each Letter of Credit, each Lender shall be deemed to have automatically and unconditionally acquired a participation therein to the extent of such Lender's Commitment



Percentage on the terms provided in this clause (d) without any further action.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of drawing under such Letter of Credit, the relevant Issuing Lender shall notify the requesting Borrower and the Administrative Agent thereof. Not later than 1:00 p.m. (New York time) on the second Business Day following any L/C Payment by an Issuing Lender (the "Honor Date"), the Borrowers jointly and severally agree to reimburse such Issuing Lender directly in an amount equal to the amount of such L/C Payment.

(ii) If the Borrowers fail to so reimburse such Issuing Lender by such date, or if any amounts reimbursed by any Borrower are required to be returned or disgorged for any reason, such Issuing Lender shall promptly notify the Administrative Agent and the Administrative Agent shall promptly notify each Lender of the Honor Date, the unreimbursed amount of such L/C Payment (the "Unreimbursed Amount"), and the amount of such Lender's prorata share thereof. In such event, such Borrower shall be irrevocably deemed to have requested a Borrowing of ABR Loans to be disbursed on the Honor Date in an aggregate Dollar Equivalent amount equal to the Unreimbursed Amount (without regard to the minimum and multiples specified in Section 2.01(b)); provided that, notwithstanding any other provision to the contrary in this Section 2.02, no such Borrowing of ABR Loans shall be permitted unless the Debt to Equity Ratio shall be less than or equal to <sup>[\*\*]</sup> 1.00 after giving proforma effect to such Borrowing and the conditions specified in clauses (a) and (b) of Section 4.02 have been satisfied on or as of the date of such Borrowing. Any notice given by an Issuing Lender or the Administrative Agent pursuant to this Section 2.02(d)(iii) may be given by telephone if immediately confirmed in writing; provided, that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(iii) Subject to the proviso in Section 2.02(d)(iii), each Lender (including any Lender acting as an Issuing Lender) unconditionally agrees upon any notice pursuant to Section 2.02(d)(iii) to make funds available to the Administrative Agent for the account of the relevant Issuing Lender at the Administrative Agent's Account in an amount equal to its Commitment Percentage of the unpaid L/C Reimbursement Obligation not later than 1:00 p.m. (New York time) on the Business Day specified in such notice by the Administrative Agent, whereupon each Lender that so makes funds available shall be deemed to have made an ABR Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the relevant Issuing Lender.

(iv) The Borrowers jointly and severally agree to pay interest on the unreimbursed amount of each L/C Reimbursement Obligation to the relevant Issuing Lender, for each day from the date of the relevant L/C Payment until such L/C

<sup>[\*\*]</sup> = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

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Reimbursement Obligation is reimbursed or refinanced in full as herein provided, at the rate provided in Section 3.02(b) (ii).

(v) Subject to the proviso in Section 2.02(d)(iii), each Lender's obligation to make the payments provided in clause (iv) above to reimburse an Issuing Lender for any L/C Payment shall be absolute and unconditional and shall not be affected by (A) any setoff or counterclaim which such Lender may have against an Issuing Lender, any Borrower or any other Person, (B) the occurrence or continuance of a Default or any reduction or termination of the Commitments or any of them, (C) any of the matters referred to in clause (e) below or (D) any other circumstance whatsoever.

(vi) If any Lender fails timely to make available to the Administrative Agent for the account of an Issuing Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.02, such Issuing Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such Issuing Lender at a rate per annum equal to the Federal Funds Rate from time to time in effect (without duplication of amounts paid by any Borrower under clause (v) above). A certificate of such Issuing Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(vii) At any time after an Issuing Lender has made an L/C Payment and has received funds from a Lender in respect of such payment in accordance with Section 2.02, if the Administrative Agent receives for the account of such Issuing Lender any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from a Borrower or otherwise, including proceeds of cash collateral applied thereto by the Administrative Agent), the Administrative Agent will promptly distribute to such Lender its prorata share thereof in the same funds as those received by the Administrative Agent.

(e) Borrowers Obligations Unconditional. The joint and several obligation of the Borrowers to reimburse each Issuing Lender for each L/C Payment under each Letter of Credit shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances whatsoever, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, any Loan Document or any other agreement or instrument relating thereto;

(ii) the existence of any claim, counterclaim, set-off, defense or other right that the Borrower may have at any time against any beneficiary of such Letter of Credit (or any Person for whom any such beneficiary may be acting), such Issuing Lender or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto; or

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(iii) any sight draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect, or any loss or delay in the transmission or otherwise of any document required in order to obtain an L/C Payment under such Letter of Credit;

or

(iv) any payment by such Issuing Lender under such Letter of Credit against presentation of a sight draft or certificate that does not strictly comply with the terms of such Letter of Credit or any payment made by such Issuing Lender under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any bankruptcy, insolvency, reorganization or similar law.

(f) Issuing Lender Rights. Each Lender and each Borrower agrees that, in making any L/C Payment under a Letter of Credit, the relevant Issuing Lender shall not have any responsibility to obtain any document (other than any sight draft, certificate and other document expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering the same. None of the Issuing Lenders, the Administrative Agent, any of the respective Related Parties, nor any correspondents, participants or assignees of the Issuing Lender shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Majority Lenders, as applicable, (ii) any action taken or omitted in the absence of bad faith, gross negligence or willful misconduct, or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or L/C Related Document. None of the Issuing Lenders, the Administrative Agent, any of the respective Related Parties, nor any correspondents, participants or assignees of the Issuing Lender, shall be liable or responsible for any of the matters described in Section 2.02(e); provided that anything therein or elsewhere in this Agreement to the contrary notwithstanding, the Borrowers may have a claim against an Issuing Lender, and such Issuing Lender may be liable to the Borrowers, to the extent, but only to the extent, of any direct (as opposed to special, indirect, consequential or punitive) damages suffered by the Borrowers which were directly caused by such Issuing Lender's bad faith, willful misconduct or gross negligence as determined by a final and nonappealable ruling of a court of competent jurisdiction. In furtherance and not in limitation of the foregoing, each Issuing Lender may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

(g) Applicability of ISP98. Unless otherwise expressly agreed by an Issuing Lender and the requesting Borrower when a Letter of Credit is issued, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance) shall apply to each Letter of Credit.

#### SECTION 2.03. Fees.

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(a) Agency Fee. The Borrowers jointly and severally agree to pay to the Administrative Agent, for the Administrative Agent's own account, an administrative agency fee at the times and in the amounts as agreed in writing by KCMH and the Administrative Agent.

(b) Facility Fee. The Borrowers jointly and severally agree to pay to the Administrative Agent, for the account of each Lender, a facility fee on the amount of the Commitment of such Lender for each day during the period from the date hereof until the Commitment Termination Date, at the rate calculated based on usage of the Aggregate Facility Amount in accordance with the fee schedule set forth on Annex A, payable quarterly in arrears on the entire Aggregate Facility Amount (irrespective of usage) on the last Business Day of March, June, September and December of each year, on the Commitment Termination Date and on the date of termination of the Commitments.

#### (c) Letter of Credit Fees.

(i) The Borrowers jointly and severally agree to pay to the Administrative Agent, for the pro rata account of the Lenders based on their respective Commitment Percentages, a commission on the average daily undrawn amount of each outstanding Letter of Credit at a rate equal to the Applicable Margin then in effect for Loans (minus the amount of the fronting fee referred to below), payable quarterly in arrears on the last Business Day of March, June, September and December of each year and on the Commitment Termination Date, commencing on the first such date after the date hereof.

(ii) The Borrowers jointly and severally agree to pay to each Issuing Lender, for the sole account of such Issuing Lender, (x) a fronting fee with respect to each Letter of Credit issued by such Issuing Lender, payable quarterly in arrears on the last Business Day of each March, June, September and December and on the Commitment Termination Date, in an amount equal to [\*\*]% per annum of the average daily available amount of such Letter of Credit and (y) such customary fees and charges in connection with the issuance or administration of each Letter of Credit issued by such Issuing Lender as may be agreed in writing between KCMH and such Issuing Lender from time to time. The Issuing Lender will notify the Borrowers of any and all such fees and charges payable under this Section.

(d) Other Fees. The Borrower shall pay to the Administrative Agent and the Lead Arranger for their own respective accounts such other fees in the amounts and at the times as may be agreed in writing between KCMH and the Administrative Agent and/or the Lead Arranger.

#### SECTION 2.04. Changes of Commitments.

(a) Commitment Termination Date. The Commitment of each Lender shall be automatically reduced to zero on the Commitment Termination Date.

(b) Commitment Termination or Reduction. KCMH shall have the right, upon at least three Business Days' notice to the Administrative Agent, to terminate in whole or reduce ratably in part the unused portions of the Commitments; provided, that (i) each partial reduction shall be in a minimum aggregate amount of \$5,000,000 and (ii) after giving effect to

*[\*\*] = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

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such termination or reduction, (A) the Total Credit Exposure does not exceed the Aggregate Facility Amount and (B) the L/C Exposure does not exceed the Letter of Credit Facility Amount. Once terminated or reduced, the Commitments may not be reinstated.

SECTION 2.05. Concerning Joint and Several Liability of the Borrowers.

(a) Each of the Borrowers is accepting joint and several liability hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Lenders and the Administrative Agent under this Agreement, for the mutual benefit, directly and indirectly, of each of the Borrowers and in consideration of the undertakings of each other Borrower to accept joint and several liability for the Obligations.

(b) Each of the Borrowers, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a primary obligor and co-debtor, joint and several liability with each other Borrower, with respect to the payment and performance of all of the Obligations (including, without limitation, any Obligations arising under this Section 2.05), it being the intention of the parties hereto that all the Obligations shall be the joint and several obligations of each of the Borrowers without preferences or distinction among them.

(c) If and to the extent that any of the Borrowers shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the Obligations in accordance with the terms thereof, then, in each such event, the other Borrowers will make such payment with respect to, or perform, such Obligation.

(d) The Obligations of each of the Borrowers under the provisions of this Section 2.05 constitute the full recourse Obligations of each of the Borrowers enforceable against each such Person to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of this Agreement or the other Loan Documents or any other circumstance whatsoever.

(e) Except as otherwise expressly provided herein, each Borrower hereby waives promptness, diligence, presentment, demand, protest, notice of acceptance of its joint and several liability, notice of any and all advances of the Loans made under this Agreement and any promissory note issued hereunder, notice of occurrence of any Default or Event of Default (except to the extent notice is expressly required to be given pursuant to the terms of this Agreement or any of the other Loan Documents), or of any demand for any payment under this Agreement, notice of any action at any time taken or omitted by the Administrative Agent or the Lenders under or in respect of any of the Obligations hereunder, any requirement of diligence and, generally, all demands, notices and other formalities of every kind in connection with this Agreement and the other Loan Documents. Each Borrower hereby waives all defenses which may be available by virtue of any valuation, stay, moratorium law or other similar law now or hereafter in effect, any right to require the marshaling of assets of the Borrowers and any other entity or Person primarily or secondarily liable with respect to any of the Obligations, and all surety ship defenses generally. Each Borrower hereby assents to, and waives notice of, any extension or postponement of the time for the payment, or place or manner for payment, compromise, refinancing, consolidation or renewals of any of the Obligations hereunder, the

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acceptance of any partial payment thereon, any waiver, consent or other action or acquiescence by the Administrative Agent and the Lenders at any time or times in respect of any default by any Borrower in the performance or satisfaction of any term, covenant, condition or provision of this Agreement and the other Loan Documents, any and all other indulgences whatsoever by the Administrative Agent and the Lenders in respect of any of the Obligations hereunder, and the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of such Obligations or the addition, substitution or release, in whole or in part, of any Borrower or any other entity or Person primarily or secondarily liable for any Obligation. Each Borrower further agrees that its Obligations shall not be released or discharged, in whole or in part, or otherwise affected by the adequacy of any rights which the Administrative Agent or any Lender may have against any collateral security, guaranty or other means of obtaining repayment of any of the Obligations, the impairment of any collateral security securing or guaranty supporting the Obligations, including, without limitation, the failure to protect or preserve any rights which any Administrative Agent or any Lender may have in such collateral security or guaranty or the substitution, exchange, surrender, release, loss or destruction of any such collateral security, any other act or omission which might in any manner or to any extent vary the risk of such Borrower, or otherwise operate as a release or discharge of such Borrower, all of which may be done without notice to such Borrower. If for any reason any other Borrower has no legal existence or is under no legal obligation to discharge any of the Obligations, or if any of the Obligations have become irrecoverable from any other Borrower by reason of such other Borrower's insolvency, bankruptcy or reorganization or by other operation of law or for any reason, this Agreement and the other Loan Documents to which it is a party shall nevertheless be binding on such Borrower to the same extent as if such Borrower at all times had been the sole obligor on such Obligations. Without limiting the generality of the foregoing, each Borrower assents to any other action or delay in acting or failure to act on the part of the Administrative Agent and the Lenders, including, without limitation, any failure strictly or diligently to assert any right or to pursue any remedy or to comply fully with applicable laws or regulations thereunder which might, but for the provisions of this Section 2.05, afford grounds for terminating, discharging or relieving such Borrower, in whole or in part, from any of its obligations under this Section 2.05, it being the intention of each Borrower that, so long as any of the Obligations hereunder remain unsatisfied, the obligations of such Borrower under this Section 2.05 shall not be discharged except by performance and then only to the extent of such performance. The Obligations of each Borrower under this Section 2.05 shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, reconstruction or similar proceeding with respect to any reconstruction or similar proceeding with respect to any other Borrower, or any of the Lenders. The joint and several liability of the Borrowers hereunder shall continue in full force and effect notwithstanding any absorption, merger, amalgamation or any other change whatsoever in the name, ownership, membership, constitution or place of formation of any Borrower or the Lenders. Each of the Borrowers acknowledges and confirms that it has itself established its own adequate means of obtaining from the other Borrowers on a continuing basis all information desired by such Borrower concerning the financial condition of the other Borrowers and that each such Borrower will look to the other Borrowers and not to the Administrative Agent or any Lender in order for such Borrower to keep adequately informed of changes in the other Borrowers' respective financial conditions.

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(f) The provisions of this Section 2.05 are made for the benefit of the Lenders and the Administrative Agent and their respective permitted successors and assigns, and may be enforced by it or them from time to time against any or all of the Borrowers as

often as occasion therefor may arise and without requirement on the part of the Lenders, the Administrative Agent or such successor or assign first to marshal any of its or their claims or to exercise any of its or their rights against the other Borrowers or to exhaust any remedies available to it or them against any other Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this Section 2.05 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied and all Commitments terminated. If at any time, any payment, or any part thereof made in respect of any of the Obligations, is rescinded or must otherwise be restored or returned by any Lender or the Administrative Agent upon the insolvency, bankruptcy or reorganization of any of the Borrowers, or otherwise, the provisions of this Section 2.05 will forthwith be reinstated in effect, as though such payment had not been made.

(g) Each of the Borrowers hereby agrees that it will not enforce any of its rights of reimbursement, contribution, subrogation or the like against any other Borrower with respect to any liability incurred by it hereunder or under any of the other Loan Documents, any payments made by it to any of the Lenders or the Administrative Agent with respect to any of the Obligations or any collateral security therefor until such time as all of the Obligations have been indefeasibly paid in full in cash and all Commitments terminated. Any claim which any Borrower may have against any other Borrower with respect to any payments to the Lenders or the Administrative Agent hereunder or under any other Loan Documents are hereby expressly made subordinate and junior in right of payment, without limitation as to any increases in the Obligations arising hereunder or thereunder, to the prior payment in full of the Obligations and, in the event of any insolvency, bankruptcy, receivership, liquidation, reorganization or other similar proceeding under the laws of any jurisdiction relating to any Borrower, its debts or its assets, whether voluntary or involuntary, all such Obligations shall be paid in full before any payment or distribution of any character, whether in cash, securities or other property, shall be made to any other Borrower therefor.

(h) Each of the Borrowers hereby agrees that the payment of any amounts due with respect to the indebtedness owing by any Borrower to any other Borrower is hereby subordinated to the prior payment in full in cash of the Obligations and the termination of the all Commitments. Each Borrower hereby agrees that after the occurrence and during the continuance of any Event of Default, unless the Administrative Agent otherwise agrees, such Borrower will not demand, sue for or otherwise attempt to collect any indebtedness of any other Borrower owing to such Borrower until the Obligations shall have been paid in full in cash. If, notwithstanding the foregoing sentence, such Borrower shall collect, enforce or receive any amounts in respect of such indebtedness, such amounts shall be collected, enforced and received by such Borrower as trustee for the Administrative Agent on account of the Obligations and shall be paid promptly after receipt to the Administrative Agent.

#### SECTION 2.06. Contribution.

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(a) To the extent that any Borrower shall make a payment under Section 2.05 of all or any of the Obligations (other than Loans made to that Borrower for which it is primarily liable) (a "Support Payment") that, taking into account all other Support Payments then previously or concurrently made by any other Borrower, exceeds the amount that such Borrower would otherwise have paid if each Borrower had paid the aggregate Obligations satisfied by such Support Payment in the same portion that such Borrower's Allocable Amount (as determined immediately prior to such Support Payment) bore to the aggregate Allocable Amounts of each of the Borrowers as determined immediately prior to the making of such Support Payment, then, following indefeasible payment in full in cash of the Obligations and termination of the Commitments, such Borrower shall be entitled to receive contribution and indemnification payments from, and be reimbursed by, the other Borrowers for the net amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Support Payment.

(b) As of any date of determination, the "Allocable Amount" of any Borrower shall be equal to the maximum amount of the claim that could then be recovered from such Borrower under Section 2.06(a), without rendering such claim voidable or avoidable under Section 548 of Chapter 11 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law.

(c) This Section 2.06 is intended only to define the relative rights of Borrowers and nothing set forth in this Section 2.06 is intended or shall impair the obligations of the Borrowers, jointly and severally, to pay any amounts as and when the same shall become due and payable in accordance with the terms of this Agreement, including Section 2.05. Nothing contained in this Section 2.06 shall limit the liability of any Borrower to pay the Loans or L/C Reimbursement Obligations made directly or indirectly to or for the benefit of that Borrower and accrued interest, fees and expenses with respect thereto for which such Borrower shall be primarily liable.

(d) The parties hereto acknowledge that the rights of contribution and indemnification of any Borrower under this Section 2.06 shall constitute assets of such Borrower.

(e) The rights of an indemnifying Borrower against the other Borrowers under this Section 2.06 shall be exercisable upon the full and indefeasible payment of the Obligations and the termination of Commitments.

#### ARTICLE III

#### PAYMENTS

SECTION 3.01. Repayment. Each Borrower agrees to repay the full principal amount of each Loan by each Lender, and each such Loan shall mature, on the Commitment Termination Date.

#### SECTION 3.02. Interest.

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(a) Ordinary Interest. The Borrowers jointly and severally agree to pay interest on the unpaid principal amount of each Loan, from the date of such Loan until such principal amount shall be paid in full, at the following rates per annum:

(i) ABR Loans. While such Loan is an ABR Loan, a rate per annum equal to the ABR in effect from time to time plus the Applicable Margin as in effect from time to time, interest under this clause (i) to be payable quarterly in arrears on the last Business Day of each March, June, September and December and on the date such ABR Loan shall be Converted and on the date of each payment of principal thereof.

(ii) Term Benchmark Loans. While such Loan is a Term Benchmark Loan (x) denominated in Dollars, a rate per annum for each such Interest Period for such Loan equal to Term SOFR for such Interest Period plus the Applicable Margin as in effect from time to time and (y) denominated in Euros, a rate per annum for each such Interest Period for such Loan equal to the EURIBOR Rate, and in each case, interest under this clause (ii) to be payable on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on the date three months after the first day of such Interest Period, and on each date on which such Term Benchmark Loan shall be Continued or Converted and on the date of each payment of principal thereof.

(iii) RFR Loans. While such Loan is a RFR Loan, a rate per annum equal to the applicable Daily Simple RFR in effect from time to time plus the Applicable Margin as in effect from time to time, interest under this clause (iii) to be payable quarterly in arrears on the last Business Day of each March, June, September and December and on the date such RFR Loan shall be Converted and on the date of each payment of principal thereof.

(b) Default Interest. Notwithstanding the foregoing, the Borrowers jointly and severally shall pay interest on:

(i) any principal of any Loan that is not paid when due (whether at scheduled maturity or otherwise), payable on demand and in any event on the date such amount shall be paid, at a rate per annum equal at all times to two percent (2%) per annum above the rate per annum required to be paid on such Loan pursuant to said Section 3.02(a)(i) or (a)(ii), as applicable; and

(ii) any interest, fee or other amount thereof (other than any principal) that is not paid when due, from the due date thereof until such amount shall be paid, payable on demand and in any event on the date such amount shall be paid in full, at a rate per annum equal at all times to two percent (2%) per annum above the rate per annum then required to be paid on ABR Loans.

SECTION 3.03. [Reserved].

SECTION 3.04. Interest Rate Determinations.

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(a) Notice of Interest Rates. The Administrative Agent shall give prompt notice to KCMH and the Lenders of the applicable interest rates determined by the Administrative Agent.

(b) Inability to Determine Rates. Subject to clause (c) of this Section 3.04, if, the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (x)(i) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining Term SOFR or the EURIBOR Rate (including because the Screen Rate is not available or published on a current basis for such Interest Period), for the applicable Specified Currency and such Interest Period or (ii) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Daily Simple RFR for the applicable Specified Currency or (y) the Majority Lenders notify the Administrative Agent that (i) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, Term SOFR or the EURIBOR Rate, as applicable, for such Loans will not fairly reflect the cost to such Majority Lenders of making, funding or maintaining their respective Term Benchmark Loans or (ii) at any time, the applicable Daily Simple RFR will not fairly reflect the cost to such Majority Lenders of making, funding or maintaining their respective RFR Loans, the Administrative Agent shall so notify KCMH and the Lenders, whereupon the Administrative Agent will promptly so notify the Borrower and each Lender and:

(i) any Notice of Borrowing requesting a Borrowing comprised of Term Benchmark or RFR Loans, as applicable, shall be ineffective;

(ii) each Term Benchmark Loan will automatically, on the last day of the then current Interest Period and each RFR Loan will automatically, on the last day of the then current calendar quarter, as applicable, be Converted into an ABR Loan; and

(iii) the obligation of the Lenders to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended until the Administrative Agent shall notify KCMH and such Lenders that the circumstances causing such suspension no longer exist.

(c) Benchmark Replacement Setting.

(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedging Agreement shall be deemed not to be a "Loan Document" for purposes of this 3.04(c)), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the relevant then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such

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Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided by the Administrative Agent to the Lenders and the Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Majority Lenders. If the Benchmark Replacement is Daily Simple RFR denominated in Dollars, all interest payments will be payable on a quarterly basis.

(ii) Benchmark Replacement Conforming Changes. In connection with the use, implementation or administration of Term SOFR or the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent, in consultation with the Borrower, will have the right to make Benchmark Replacement Conforming Changes from time to time and,



notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document (other than as provided in the definition of Benchmark Replacement Conforming Changes).

(iii) Notices: Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (u) any occurrence of a Benchmark Transition Event, (v) the occurrence of a Benchmark Replacement Date, (w) the implementation of any Benchmark Replacement, (x) the effectiveness of any Benchmark Replacement Conforming Changes, (y) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (iv) below and (z) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent, the Borrower or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.04(c), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 3.04(c).

(iv) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (x) if a then-current Benchmark is a term rate (including the Term SOFR Reference Rate or EURIBOR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark (1) is no longer representative or will no longer be representative as of a specified date or (2) will cease to be provided by the administrator permanently or indefinitely as of a

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specified date, then the Administrative Agent may modify the definition of "Interest Period" for any setting of such Benchmark at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (y) if a tenor that was removed pursuant to clause (x) above either (A) is subsequently displayed on a screen or information service for such Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is no longer or will no longer be representative for such Benchmark (including a Benchmark Replacement) or will cease to be provided by the administrator, then the Administrative Agent may modify the definition of "Interest Period" for all settings of such Benchmark at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a borrowing of Term Benchmark Loans or RFR Loans, or Conversion to or Continuation of Term Benchmark Loans to be made, Converted or Continued in the relevant then-current Benchmark during any Benchmark Unavailability Period and, failing that, either (x) the Borrower will be deemed to have Converted any request for a borrowing of Term Benchmark Loans denominated in Dollars into a request for a borrowing of or Conversion to an ABR Borrowing and (y) any request for a borrowing of Term Benchmark Loans or RFR Loans denominated in an Alternate Currency shall be ineffective. Furthermore, if any Term Benchmark Loan or RFR Loan in any Specified Currency is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark or RFR Loan, then until such time as a Benchmark Replacement for such Specified Currency is implemented pursuant to this Section 3.04(c), (x) if such Loan is denominated in Dollars, then (A) any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, an ABR Loan and (B) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan, (y) if such Loan is denominated in any Alternate Currency, then (A) any Term Benchmark Loan shall, on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day) bear interest at the Central Bank Rate for the applicable Alternate Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Alternate Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Alternate Currency shall, at the Borrower's election prior to such day: (a) be prepaid by the Borrower on such day or solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Alternate Currency shall be deemed to be a Term Benchmark Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Term Benchmark Loans denominated in Dollars at such time and (B) any RFR Loan shall bear interest at the Central Bank Rate for the applicable Alternate Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable

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Alternate Currency cannot be determined, any outstanding affected RFR Loans denominated in any Alternate Currency, at the Borrower's election, shall either (A) be converted into ABR Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternate Currency) immediately or (B) be prepaid in on the last day of such calendar quarter.

(d) Certain Mandatory Conversions.

(i) Upon the occurrence and during the continuance of any Event of Default, (x) each Term Benchmark Loan will automatically, on the last day of the then current Interest Period, and each RFR Loan will automatically, on the last day of the

then current calendar quarter, as applicable, therefor, be Converted into an ABR Loan and (y) the obligation of the Lenders to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended.

(ii) If this Agreement shall require that any Term Benchmark Loan or RFR Loan be Converted to an ABR Loan and such Term Benchmark Loan or RFR Loan is denominated in an Alternate Currency, the Borrowers jointly and severally shall on the last day of the current Interest Period (in the case of a Term Benchmark Loan) or calendar quarter (in the case of a RFR Loan), as applicable, pay or prepay the full amount of such Term Benchmark Loan or RFR Loan, as applicable (provided, that the foregoing shall not prevent the Borrower from borrowing additional Loans to the extent otherwise permitted hereunder).

#### SECTION 3.05. Voluntary Conversion or Continuation of Loans.

(a)Conversions. The requesting Borrower may on any Business Day, upon written notice (or telephonic notice promptly confirmed in writing) given to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of the proposed Conversion, Convert all or any portion of the outstanding Loans of one Type comprising part of the same Borrowing into Loans of the other Type; provided that in the case of any such Conversion of a Term Benchmark Loan into an ABR Loan on a day other than the last day of an Interest Period, the Borrowers jointly and severally shall promptly reimburse the Lenders the amounts provided in Section 3.12 relating to such prepayment. Each such notice of a Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the Loans to be Converted, and (z) if such Conversion is into Term Benchmark Loans, the duration of the initial Interest Period for each such Loan. Each notice of Conversion shall be irrevocable and binding on the Borrowers.

(b)Continuations. The requesting Borrower may, on any Business Day, upon written notice (or telephonic notice promptly confirmed in writing) given to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of the proposed Continuation, Continue all or any portion of the outstanding Term Benchmark Loans comprising part of the same Borrowing for one or more Interest Periods. Each such notice of a Continuation shall, within the restrictions specified above, specify (i) the date of such

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Continuation, (ii) the Term Benchmark Loans to be Continued and (y) the duration of the next such Interest Period for such Term Benchmark Loans subject to such Continuation. Each notice of Continuation shall be irrevocable and binding on the Borrowers.

#### SECTION 3.06. Prepayments of Loans.

(a)Optional Prepayment. The requesting Borrower may, on notice (given not later than 11:00 a.m. (New York time) on the Business Day of the proposed prepayment of Loans, with respect to ABR Loans, and on the third Business Day prior to the date of prepayment with respect to Term Benchmark Loans or RFR Loans) stating the proposed date and aggregate principal amount (stated in Dollars) of the prepayment, and if such notice is given the Borrowers jointly and severally shall, prepay the outstanding principal amounts of the Loans comprising part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (i) each partial prepayment shall be in an aggregate principal amount not less than \$5,000,000 or integral multiples of \$1,000,000 in excess thereof (or, in the case of Loans denominated in an Alternate Currency, the Alternate Currency Equivalent thereof in such Alternate Currency) and (ii) in the case of any such prepayment of a Term Benchmark Loan on a day other than the last day of an Interest Period therefor, the Borrowers jointly and severally shall reimburse the Lenders the amounts provided in Section 3.12 relating to such prepayment.

(b)Alternate Currency Revaluation. If at any time by reason of fluctuations in foreign exchange rates the Total Credit Exposure exceeds 105% of the then aggregate amount of the Commitments, and the Majority Lenders so request, the Administrative Agent shall use all reasonable efforts to give prompt written notice thereof to KCMH, specifying the amount to be prepaid under this clause (b), and the Borrowers jointly and severally shall prepay Loans or, if no Loans are outstanding, provide cash collateral for or otherwise backstop outstanding Letters of Credit on terms reasonably satisfactory to KCMH, the Issuing Lender and the Administrative Agent, in such aggregate amount as may be required to cause the Total Credit Exposure (treating such cash collateralization or other backstopping for purposes hereof as a reduction in such Total Credit Exposure) to be equal to or less than the aggregate amount of the Commitments, such payments or other measures to be made within 10 Business Days of demand or, in the case of prepayment of Term Benchmark Loans, on the date that is the earlier of (i) the last day of the then current Interest Period therefor and (ii) the last Business Day of the first full calendar month after such revaluation, provided that any such prepayment shall be accompanied by any amounts payable under Section 3.12. The determinations of the Administrative Agent hereunder shall be conclusive and binding on the Borrowers in the absence of manifest error.

#### SECTION 3.07. Payments; Computations; Etc.

(a)Pro Rata Payments. The Loans comprising each Borrowing shall be made prorata among the Lenders based on their respective Commitment Percentages. Except as otherwise provided hereunder, all payments of principal of and interest on the Loans shall be made for the prorata account of the Lenders based on the respective outstanding principal amounts thereof, and all payments of commitment fees and letter of credit commission shall be made for the prorata account of the Lenders based on their respective Commitment Percentages.

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(b)Lenders' Obligations Several. The obligations of the Lenders under this Agreement are several and the failure of any Lender to make any Loan or any payment required to be made by it hereunder shall not relieve any other Lender of its obligations hereunder, nor shall any Lender be responsible for any other Lender's failure to make any Loan required to be made by such other Lender.

(c)Currencies. All payments by the Borrower of or in respect of principal of and interest on and other amounts directly relating to any Loan that are denominated in an Alternate Currency shall be made in such Alternate Currency. All payments of principal and interest on any Loan denominated in Dollars, all payments in respect of any Letter of Credit, and all payments of fees payable

pursuant to Section 2.03(c), commitment fees and agency fees hereunder and all other payments by any Borrower provided for in this Agreement, except as provided in the preceding sentence, shall be made in Dollars.

(d) Payments.

(i) The Borrowers shall make each payment hereunder and under each other Loan Document without set-off, counterclaim or deduction of any kind to the Administrative Agent at the Administrative Agent's Account in the Principal Financial Center for the relevant Currency not later than 11:00 a.m. Local Time on the due date of such payment (each such payment made after such time on such date to be deemed to have been made on the next Business Day).

(ii) The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest ratably to the Lenders as provided in Section 3.07(a) for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Assumption and recording of the information contained therein in the Register pursuant to Section 9.06(c), from and after the assignment date set forth therein, the Administrative Agent shall remit all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Assumption shall make all appropriate adjustments in such payments for periods prior to such assignment date directly between themselves.

(e) Computations. All computations of interest based on the ABR (except any Federal Funds Rate component thereof) or the SONIA Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable. All computations of interest based on the Term SOFR Reference Rate, Daily Simple RFR with respect to Dollars or the Federal Funds Rate and of commitment fee shall be made by the Administrative Agent, and any computations of amounts payable pursuant to Section 3.03, shall be made on the basis of a year of 360 days, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such

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interest or other amount is payable. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(f) Payment Dates. Whenever any payment hereunder or under the Notes would be due on a day other than a Business Day, such due date shall be extended to the next succeeding Business Day, and any such extension of such due date shall in such case be included in the computation of interest; provided, that if such extension would cause payment of principal or interest in respect of Term Benchmark Loans or RFR Loans to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(g) Presumption by Administrative Agent.

(i) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed time of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made its share available at such time in accordance with Section 2.01(b) and may (but shall not be obligated), in reliance upon such assumption, make available to a Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then (A) the applicable Lender, on one hand, and (B) the Borrowers on a joint and several basis on the other hand, severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to a Borrower to but excluding the date of payment to the Administrative Agent, at (x) in the case of a payment to be made by such Lender, the greater of (I) the Federal Funds Rate and (II)(a) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (if such Loan is denominated in Dollars), (b) at the overnight London interbank offered rate for the relevant Currency (if such Loan is denominated in an Alternate Currency, other than Sterling) or (c) at SONIA Rate if such Loan is denominated in Sterling and (y) in the case of a payment to be made by a Borrower, the interest rate applicable to ABR Loans. If a Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to such Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by a Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Unless the Administrative Agent shall have received notice from KCMH prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may (but shall not be obligated), in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such

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Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of (x) the Federal Funds Rate and (y)(i) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (if such Loan is denominated in Dollars), (ii) at the EURIBOR Rate if such Loan is denominated in Euros or (iii) at SONIA Rate if such Loan is denominated in Sterling.



SECTION 3.08. Sharing of Payments, Etc. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided, that:

- (i) if any such participation is purchased and all or any portion of the related payment is recovered, such participation shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and
- (ii) the provisions of this subsection shall not be construed to apply to (x) any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans other than to a Borrower or any Subsidiary thereof (as to which the provisions of this subsection shall apply).

The Borrowers consent to the foregoing and agree, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrowers, jointly and severally, rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrowers in the amount of such participation.

SECTION 3.09. Increased Costs.

(a) Increased Costs. If any Change in Law shall:

- (i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.03) or the Issuing Lender; or
- (ii) impose on any Lender or the Issuing Lender or applicable offshore interbank market for the applicable Alternate Currency any other condition, cost or

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expense affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein; and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Term Benchmark Loan (or of maintaining its obligation to make any Term Benchmark Loan), or to increase the cost to such Lender or the Issuing Lender of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the Issuing Lender hereunder (whether of principal, interest or any other amount) then, from time to time upon request of such Lender or the Issuing Lender, the Borrowers jointly and severally will pay to such Lender or the Issuing Lender such additional amount or amounts as will compensate such Lender or the Issuing Lender, as the case may be, for such additional costs incurred or reduction suffered. This Section 3.09 shall not apply to Excluded Taxes or any matters covered by Section 3.11 relating to Taxes.

(b) Capital Requirements. If any Lender or the Issuing Lender determines that any Change in Law affecting such Lender or the Issuing Lender or any lending office of such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Lender's capital or on the capital of such Lender's or the Issuing Lender's holding company as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letter of Credit issued by the Issuing Lender, to a level below that which such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Lender's policies and the policies of such Lender's or the Issuing Lender's holding company with respect to capital adequacy), then from time to time upon request of such Lender or the Issuing Lender, the Borrowers jointly and severally will pay to such Lender or the Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company for such reduction.

(c) Certificates for Reimbursement. A certificate of any Lender or the Issuing Lender setting forth the amount or amounts and a reasonable basis for the determination thereof necessary to compensate such Lender or the Issuing Lender or its holding company, as the case may be, as specified in clauses (a) or (b) of this Section 3.09 and delivered to KCMH shall be conclusive on all Borrowers absent manifest error. The Borrowers jointly and severally shall pay such Lender or the Issuing Lender, as the case may be, the amount shown as due on any such certificate within 10 Business Days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the Issuing Lender to demand compensation pursuant to this Section 3.09 shall not constitute a waiver of such Lender's or the Issuing Lender's right to demand such compensation, provided, that the Borrowers shall not be required to compensate a Lender or the Issuing Lender pursuant to this Section for any increased costs incurred or reductions suffered more than 180 days prior to the date that such Lender or the Issuing Lender, as the case may be, notifies KCMH of the Change in Law

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giving rise to such increased costs or reductions and of such Lender's or the Issuing Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof).

SECTION 3.10. Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any

central bank or other Governmental Authority asserts that it is unlawful, for such Lender or its Lending Office to perform its obligations hereunder to make or continue Term Benchmark Loans or RFR Loans or to fund or otherwise maintain Term Benchmark Loans or RFR Loans hereunder, (a) the obligation of such Lender to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended until the Administrative Agent shall notify KCMH and the Lenders that the circumstances causing such suspension no longer exist and (b) each Term Benchmark Loan or RFR Loan of such Lender shall Convert into an ABR Loan at the end of the then current Interest Period for such Term Benchmark Loan, as applicable, if such Lender may lawfully continue to maintain such Term Benchmark Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term Benchmark Loans.

**SECTION 3.11. Taxes.**

(a) All payments on account of the principal of and interest on the Loans and the Notes, fees and all other amounts whatsoever payable by the Borrowers under the Loan Documents shall be made free and clear of and without reduction or liability for any Taxes, except as required by applicable law, decree or regulation.

(b) In the event that any Borrower or the Administrative Agent shall be required by applicable law, decree or regulation to deduct or withhold any Tax from any amounts payable to the Administrative Agent or any Lender on, under or in respect of this Agreement, the Loans or any Loan Document, the Borrowers jointly and severally shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, decree or regulation and, if such Tax is an Indemnified Tax, then the Borrowers jointly and severally shall promptly pay such recipient such additional amounts as may be required, after the deduction or withholding of Indemnified Taxes, to enable such recipient to receive from the Borrowers on the due date thereof an amount equal to the full amount stated to be payable to such recipient.

(c) The Borrowers jointly and severally shall indemnify the Administrative Agent and each Lender (including each Issuing Lender) against, and reimburse them upon demand for, any incremental Taxes, interest or penalties, that they may incur at any time arising out of or in connection with any such failure of the Borrowers to make any payment of Indemnified Taxes when due.

(d) KCMH shall furnish to the Administrative Agent original or certified copies of official tax receipts in respect of each payment of Indemnified Taxes required under this Section 3.11, as soon as practicable after the date such payment is made, and the Borrowers shall promptly furnish to the Administrative Agent at its request or at the request of any Lender (through the Administrative Agent) to KCMH any other information, documents and receipts that the Administrative Agent or such Lender may reasonably require to establish that full and

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timely payment has been made of all Indemnified Taxes required to be paid under this Section 3.11.

(e)

(i) Each Lender or Participant that is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to KCMH and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) two copies of either U.S. Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, Form W-8ECI, Form W-8 IMY, Form W-8 EXP, or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit E-1, Exhibit E-2, Exhibit E-3 or Exhibit E-4, as applicable, and a Form W-8BEN or W-8BEN-E, as applicable, or any subsequent versions thereof or successors thereto, properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on all payments by the Borrower under this Agreement and the other Loan Documents. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation) and from time to time thereafter upon the reasonable request of KCMH or the Administrative Agent.

(ii) Each Lender that is a "U.S. Person" as defined in Section 7701(a)(30) of the Code shall deliver to KCMH and the Administrative Agent (or, in the case of a Participant of a Lender, to such Lender) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of KCMH or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender or Participant, as applicable, is exempt from U.S. Federal backup withholding tax.

(iii) If the Administrative Agent is a "U.S. Person" as defined in Section 7701(a)(30) of the Code, then it shall, on or prior to the date of this Credit Agreement (or, in the case of a successor Administrative Agent, on or before the date on which it becomes the Administrative Agent hereunder), provide the Borrowers with a properly completed and duly executed copy of IRS Form W-9 (or any applicable successor form) confirming that the Administrative Agent is exempt from U.S. federal backup withholding. If the Administrative Agent is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code, then it shall, on or prior to the date of this Credit Agreement (or, in the case of a successor Administrative Agent, on or before the date on which it becomes the Administrative Agent hereunder), provide the Borrowers with, (i) with respect to payments made to the Administrative Agent for its own account, a properly completed and duly executed copy of IRS Form W-8ECI (or other applicable IRS Form W-8), and (ii) with respect to payments made to the Administrative Agent on behalf of the Lenders, a properly completed and duly executed IRS Form W-8IMY confirming that the Administrative Agent agrees (A) to be treated as a "United States person" for U.S. federal withholding Tax purposes and the payments it receives for the account of

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such Lenders are not effectively connected with the conduct of its trade or business in the United States or (B) is a "Qualified Intermediary" for U.S. federal withholding Tax purposes; provided, in each case, that the Administrative Agent shall not be required to deliver any documentation pursuant to this Section 3.11(e)(iii) that it is not legally eligible to deliver as a result of any change in, or in the interpretation by any Governmental Authority of, any law or the method by which such Administrative Agent must comply therewith occurring after the date hereof (or, in the case of a successor Administrative Agent, occurring after the date on which it becomes the Administrative Agent hereunder). Such Administrative Agent agrees that if such documentation

previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or promptly notify the Borrowers in writing of its legal inability to do so.

(f) Each Lender shall deliver to any Borrower and the Administrative Agent at the time or times prescribed by applicable law and at such time or times reasonably requested by such Borrower or the Administrative Agent such documentation prescribed by applicable law and such additional documentation reasonably requested by such Borrower or the Administrative Agent as may be necessary for such Borrower or the Administrative Agent to comply with any obligations of such Borrower or the Administrative Agent, or to determine that such Lender has complied with its obligations or to determine the amount to deduct and withhold from any payment, under FATCA or any similar regime arising as a result of the transactions contemplated under any Loan Document. Solely for purposes of this paragraph (f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

In addition, each Lender shall deliver such forms promptly upon the written request of KCMH after the obsolescence or invalidity of any form previously delivered by such Lender under this Section 3.11. Each Lender shall promptly notify KCMH at any time it determines that it is no longer in a position to provide any previously delivered certificate to KCMH (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this paragraph, a Lender shall not be required to deliver any form pursuant to this paragraph that such Lender is not legally able to deliver.

(g) A Lender that is entitled to an exemption from or reduction of non-U.S. withholding tax under the law of the jurisdiction in which a Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to KCMH (with a copy to the Administrative Agent), on or prior to the date on which such Lender becomes a Lender under this Agreement or at the time or times prescribed by applicable law or reasonably requested by KCMH, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate, provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender's judgment such completion, execution or submission would not materially prejudice the legal position of such Lender.

(h) If the Administrative Agent, any Lender or the Issuing Lender determines, in its sole discretion, that it has received a refund or credit (in lieu of such refund) of any Taxes or Other Taxes as to which it has been indemnified by the Borrowers or with respect to which a Borrower has paid additional amounts pursuant to this Section 3.11, it shall pay to such

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Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Borrower under this Section 3.11 with respect to the Taxes or Other Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses of the Administrative Agent, any Lender or the Issuing Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Borrower, upon the request of the Administrative Agent, any Lender or the Issuing Lender, agrees to repay the amount paid over to such Borrower to the Administrative Agent, any Lender or the Issuing Lender in the event the Administrative Agent, any Lender or the Issuing Lender is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent, any Lender or the Issuing Lender to make available its tax returns or its books or records (or any other information relating to its taxes that it deems confidential) to any Borrower or any other Person.

(i) Notwithstanding anything in this Agreement to the contrary, if pursuant to this Section 3.11 a Borrower is required to pay to or for the account of any Lender any additional amounts, then such Lender shall use commercially reasonable efforts to change the jurisdiction of its Applicable Lending Office if, in the sole and absolute judgment of such Lender, such change (i) would eliminate or reduce any such excess additional amounts and (ii) would not otherwise be materially disadvantageous to such Lender.

**SECTION 3.12. Break Funding Payments.** The Borrowers jointly and severally agree to indemnify each Lender and to hold each Lender harmless from any loss, cost or expense incurred by such Lender which is in the nature of funding breakage costs or costs of liquidation or redeployment of deposits or other funds and any other related expense (but excluding loss of margin or other loss of anticipated profit), which such Lender may sustain or incur as a consequence of (a) default by any Borrower in making any Borrowing of Term Benchmark Loans after a Borrower has given a Notice of Borrowing requesting the same in accordance with the provisions of this Agreement (including as a result of any failure to fulfill, on or before the date specified in such Notice of Borrowing, the applicable conditions set forth in Article IV), (b) default by any Borrower in making any prepayment of any Term Benchmark Loan when due after such Borrower has given notice thereof in accordance with this Agreement, (c) the making by any Borrower of a prepayment of any Term Benchmark Loan on a day which is not the last day of an Interest Period with respect thereto, (d) default by any Borrower in payment when due of the principal of or interest on any Term Benchmark Loan, (e) the Conversion or Continuation of any Term Benchmark Loan on a day other than on the last day of an Interest Period with respect thereto, and (f) any assignment such Lender is required to make pursuant to Section 3.13(b) if such Lender holds Term Benchmark Loans at the time of such assignment. A certificate of any Lender setting forth any amount or amounts and a reasonable basis for the determination thereof that such Lender is entitled to receive pursuant to this Section and delivered to KCMH shall be conclusive absent manifest error. The Borrowers jointly and severally shall pay to such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

**SECTION 3.13. Mitigation Obligations; Replacement of Lenders.**

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(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.09, or requires any Borrower to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.11, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, if, in the sole and absolute judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.09 or 3.11, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.09, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.11, or if any Lender becomes a Defaulting Lender, or if any Lender has failed to consent to a proposed amendment, waiver, discharge or termination

that, pursuant to the terms of Section 9.01, requires the consent of all of the Lenders or all of the Lenders affected (and such Lender is an affected Lender) and with respect to which the Majority Lenders shall have granted their consent, then such Borrower may, at the Borrowers' joint and several sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 9.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

- (i) no Default or Event of Default has occurred and is continuing on and as of the date of such notice and the date of such assignment;
- (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.12) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);
- (iii) in the case of any such assignment resulting from a claim for compensation under Section 3.09 or payments required to be made pursuant to Section 3.11, such assignment will result in a reduction in such compensation or payments thereafter; and
- (iv) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling a Borrower to require such assignment and delegation cease to apply. A Lender so replaced shall not be required to pay the processing and recordation fee referred to in Section 9.06(b).

#### SECTION 3.14. Defaulting Lenders.

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(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Majority Lenders.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.03 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Lender hereunder; *third*, to cash collateralize the Issuing Lenders' L/C Exposure with respect to such Defaulting Lender; *fourth*, as any Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and KCMH, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize the Issuing Lender's future L/C Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement; *sixth*, to the payment of any amounts owing to the Lenders or the Issuing Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the Issuing Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to any Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Payments in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Payments owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Payments owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Reimbursement Obligations are held by the Lenders pro rata in accordance with their Commitments without giving effect to Section 3.14(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash

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collateral pursuant to this Section 3.14(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. Each Defaulting Lender shall be entitled to receive the facility fee pursuant to Section 2.03(b) for any period during which that Lender is a Defaulting Lender only to extent allocable to the sum of (1) the outstanding principal amount of the Loans funded by it, and (2) its Commitment Percentage of the stated amount of Letters of Credit for which it has provided cash collateral. Each Defaulting Lender shall be entitled to receive letter of credit fees pursuant to Section 2.03(c) for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Commitment Percentage of the stated amount of Letters of Credit for which it has provided cash collateral pursuant to the terms hereof. With respect to any facility fee or letter of credit fee not required to be paid to any Defaulting Lender pursuant to this Section 3.14(a)(iii), the Borrowers jointly and severally shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in Letters of Credit that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Issuing Lender the amount of any such fee otherwise payable to such

Defaulting Lender to the extent allocable to the Issuing Lender's L/C Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Participations to Reduce L/C Exposure. All or any part of such Defaulting Lender's participation in Letters of Credit shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Commitment Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (x), if requested by the applicable Issuing Lender, the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrowers shall have otherwise notified the Administrative Agent at such time, the Borrowers shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the aggregate of the Total Credit Exposure allocable to any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrowers shall jointly and severally, without prejudice to any right or remedy available to it hereunder or under law, promptly cash collateralize the Issuing Lenders' L/C Exposure.

(b) Defaulting Lender Cure. If KCMH, the Administrative Agent and the Issuing Lender agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth

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therein (which may include arrangements with respect to any cash collateral), such Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a *pro rata* basis by the Lenders in accordance with their Commitment Percentages (without giving effect to Section 3.14(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) New Letters of Credit. So long as any Lender is a Defaulting Lender, the Issuing Lender shall not be required to issue, extend, renew or increase any Letter of Credit unless it is reasonably satisfied that it will have no L/C Exposure after giving effect thereto.

#### ARTICLE IV

##### CONDITIONS PRECEDENT

SECTION 4.01. Closing Conditions. Effectiveness of this Agreement is subject to the satisfaction or waiver of the following conditions precedent:

- (a) The Administrative Agent's receipt of the following:
- (i) this Agreement, duly executed and delivered by the Borrower and each of the other parties hereto;
  - (ii) the Guarantee and Security Agreement, duly executed and delivered by the Borrowers as of the Closing Date, together with duly prepared financing statements in form for filing under the applicable UCC in the jurisdiction of formation of each Borrower;
  - (iii) certified copies of (x) the constitutive documents of each Borrower and (y) resolutions or other authorizing documentation of each Obligor and the General Partner evidencing the taking of all necessary action authorizing and approving the execution, delivery and performance by each Borrower of the Loan Documents to which it is a party;
  - (iv) a certificate of an officer of each Borrower certifying the names and true signatures of the officers authorized to sign the Loan Documents and any other documents to be delivered hereunder by each Borrower;
  - (v) the legal opinion of Simpson Thacher & Bartlett LLP, counsel to the Borrowers, in a form reasonably acceptable to the Administrative Agent;

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(vi) a certificate of an officer of KCMH, dated the Closing Date, certifying that (a) the representations and warranties contained in Section 5.01 and in the other Loan Documents are true and correct in all material respects on and as of such date as though made on and as of such date and (b) no event has occurred and is continuing on and as of such date which constitutes a Default or an Event of Default;

(vii) a certificate attesting to the Solvency of KCMH and its Subsidiaries, taken as a whole, after giving effect to the effectiveness of this Agreement and any Loans made or Letters of Credit issued or outstanding on the Closing Date; and

(viii) (a) all documentation and other information reasonably requested in writing at least five Business Days prior to the Closing Date in order to allow the Administrative Agent to comply with applicable "know your customer" and anti-money laundering rules and regulations, including without limitation, the Patriot Act and (b) any other such documents in customary form and previously agreed between the parties.

(b) KCMH shall have paid (i) all accrued and unpaid fees and any outstanding and accrued and unpaid interest thereon under the Existing Credit Agreement and (ii) all fees and expenses (including fees, charges and disbursements of counsel invoiced prior to the Closing Date) required to be paid on or prior to the Closing Date to the Administrative Agent or the Lead Arranger in connection with this Agreement.

The Administrative Agent will promptly notify the Lenders of the occurrence of the Closing Date.

SECTION 4.02. Conditions Precedent to Each Borrowing and Issuance. The obligation of each Lender to make a Loan during the Availability Period on the occasion of each Borrowing and of the Issuing Lender to issue each Letter of Credit shall be subject to



the conditions precedent that on the date of and after giving effect to such Borrowing or issuance, the Total Credit Exposure shall not exceed the then Aggregate Facility Amount, and that the following statements shall be true:

- (a) the representations and warranties contained in Section 5.01 and in the other Loan Documents are true and correct in all material respects on and as of the date of such Borrowing or issuance as though made on and as of such date, except to the extent such representation or warranty expressly relates to an earlier date, in which case it is true and correct in all material respects on and as of such earlier date;
- (b) no event has occurred and is continuing, or would result from such Borrowing or issuance or from the application of the proceeds from such Borrowing, which constitutes a Default or an Event of Default;
- (c) the Debt to Equity Ratio shall be less than or equal to **[\*\*]** to 1.00 after giving proforma effect to such Borrowing or issuance;

**[\*\*]** = Certain information contained in this document, marked by "**[\*\*]**", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

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- (d) the Administrative Agent and, if applicable, the Issuing Lender shall have received a request for Borrowing or issuance of Letter of Credit in accordance with the requirements hereof; and
- (e) in connection with Category V Borrowings, the Administrative Agent and, if applicable, the Issuing Lender shall have received a certificate from the Borrower setting out the information required pursuant to the definition of "Category V Borrowing".

Each request for a Borrowing or issuance of a Letter of Credit (other than a notice for Conversion or Continuation of Loans) submitted by a Borrower shall be deemed to be a representation and warranty that the conditions specified in clauses (a), (b) and (c) of this Section 4.02 have been satisfied on and as of the date of such request.

#### ARTICLE V

##### REPRESENTATIONS AND WARRANTIES

SECTION 5.01. Representations and Warranties. Each Borrower represents and warrants to the Administrative Agent and the Lenders as follows:

(a) Organization. Each Borrower is duly organized, validly existing and in good standing as a limited partnership or limited liability company, as applicable, under the laws of Delaware, and each Guarantor and the General Partner is duly organized, validly existing and in good standing (to the extent such concept is recognized under such law) under the laws of its jurisdiction of organization. Each Obligor (i) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (A) own or lease its assets and carry on its business and (B) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (ii) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (i)(A) or (ii), to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect

(b) Authorization. The execution, delivery and performance by each Borrower of this Agreement and the other Loan Documents are within its powers as set forth in its applicable constituent documents, as the case may be, and have been duly authorized by all necessary action thereunder, and the execution, delivery and performance by each Guarantor of the Guarantee and Security Agreement are within the powers of such Guarantor and have been duly authorized by all necessary action and the execution, delivery and performance by KCMH of the Loan Documents have been duly authorized by all necessary action of the General Partner.

(c) Approvals; No Conflicts; Etc. The execution, delivery and performance by each Obligor of the Loan Documents to which it is a party (i) do not require any consent or approval of, or registration or filing with, any Governmental Authority or Self Regulatory Organization (except for (A) such as have been obtained or made and are in full force and effect

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in all material respects, (B) filings and recordings in respect of Liens created pursuant to the Guarantee and Security Agreement and (C) such licenses, approvals, authorizations or consents the failure to obtain or make would not reasonably be expected to result in a Material Adverse Effect), (ii) will not violate any applicable Law, regulation or order of any Governmental Authority the violation of which would be reasonably expected to result in a Material Adverse Effect, and (iii) will not violate or constitute an event of default under any credit agreement, loan agreement, note or indenture, or any other material agreement, binding upon it or its Property; and no Default has occurred and is continuing.

(d) Enforceability. Each Obligor has duly executed and delivered each Loan Document to which it is a party and each such Loan Document constitutes the legal, valid and binding obligation of such Obligor enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

(e) No Material Adverse Change. Since December 31, 2019, no event or circumstance has occurred that has had, or would reasonably be expected to have, a Material Adverse Effect.

(f) No Litigation. There are no actions, suits or proceedings by or before any Governmental Authority pending against or, to the knowledge of KCMH, threatened against or affecting it or any of its Subsidiaries that would reasonably be expected to result in a Material Adverse Effect.

(g) Compliance with Laws. Each Obligor is in compliance with all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it or its Property (including, without limitation, the Patriot Act, ERISA, environmental laws and Rule 15c3-1), except where the failure to be in compliance, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(h)Investment Company Status; Margin Regulations. None of the Obligors is required to register under and none of the Obligors is subject to regulation under the Investment Company Act of 1940, as amended. No Borrower is engaged and no Borrower will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U), or extending credit for the purpose of purchasing or carrying margin stock, in each case in violation of such Regulation U. Each U.S. Broker-Dealer Subsidiary is a broker-dealer subject to Regulation T. Neither the making of any Loan hereunder, nor the use of proceeds thereof, will violate or be inconsistent with the provisions of Regulation T, U or X.

(i)Disclosure. No written report, financial statement, certificate or other written information furnished by or on behalf of it to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in the light of the circumstances under which they were made, not misleading; provided that with respect to projected financial information, it represents only that such information was prepared

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in good faith based upon assumptions believed to be reasonable at the time and that actual results may differ materially from such information.

(j)Use of Proceeds. The proceeds of the Loans and Letters of Credit shall be used to fund (i) the capital requirements of KCMH and its Subsidiaries and (ii) the general corporate and working capital needs of KCMH and its Subsidiaries, in each case, in the ordinary course of KCMH and its Subsidiaries' capital markets business in compliance with Section 6.02(i); provided that no more than \$[\*\*] of the aggregate outstanding Commitments shall be utilized at any one time to make Investments in all Designated Entities and all KCMH Group Entities that are not Subsidiaries of KCMH and through which KCMH and its Subsidiaries conduct its capital markets business in compliance with Section 6.02(i).

(k)Guarantee and Security Agreement. The Guarantee and Security Agreement is effective to create in favor of the Administrative Agent, for the benefit of the Secured Creditors, a legal, valid and enforceable security interest in the Collateral described therein and proceeds thereof (except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity). Subject to the Intercreditor Agreement, in the case of the Pledged Equity represented by certificates described in the Guarantee and Security Agreement, when any stock certificates representing such Pledged Equity are delivered to the Administrative Agent (or its designee), and in the case of the other Collateral described in the Guarantee and Security Agreement, when financing statements in appropriate form are duly completed and filed in the offices specified on Annex I to the Guarantee and Security Agreement and such other filings as are specified on Annex I to the Guarantee and Security Agreement have been completed, the Guarantee and Security Agreement shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Obligors in such Collateral and the proceeds thereof, as security for the Obligations (as defined in the Guarantee and Security Agreement), in each case prior and superior in right to any other Person (other than with respect to Liens permitted by this Agreement), in each case to the extent security interests in such Collateral may be perfected by delivery of such certificates representing Pledged Equity or such filings.

(l)Ownership of Property. KCMH and each of its Subsidiaries has good record and marketable title to, or valid leasehold interests in, all property necessary in the ordinary conduct of its business, except for such defects in title as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(m)Taxes. Except as would not reasonably be expected to have a Material Adverse Effect, KCMH and each of its Subsidiaries have paid and discharged all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, other than those (i) not yet delinquent or (ii) contested in good faith as to which adequate reserves have been provided to the extent required by Law and in accordance with GAAP and which would not reasonably be expected to result in a Material Adverse Effect.

(n)ERISA Matters. (i) No ERISA Event has occurred or is reasonably expected to occur with respect to any Plan and (ii) neither KCMH nor any ERISA Affiliate has incurred or is reasonably expected to incur any Withdrawal Liability to any Multiemployer Plan, [\*\*] = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

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which in either case of (i) or (ii) has not been fully satisfied or, with respect to clauses (i) and (ii), except as would not reasonably be expected to result in any Material Adverse Effect.

(o)Subsidiaries. Schedule II is a complete list of Subsidiaries of KCMH as of the Closing Date.

(p)Registered Broker-Dealer; Membership. Each of KCM U.S. and each other U.S. Broker-Dealer Subsidiary is duly registered with the SEC as a broker-dealer and is a member in good standing of FINRA, and each non-U.S. Broker-Dealer Subsidiary is duly registered with, or licensed by, any Governmental Authority that requires registration or licensing and is a member in good standing of any local body similar to FINRA, including, but not limited to, the Financial Services Authority (in the case of KCM U.K.) and the Securities and Futures Commission (in the case of (i) prior to the KCM Asia Reorganization Effective Date, KCM Asia and (ii) after the KCM Asia Reorganization Effective Date, KCM Asia II) to the extent that such membership is required by any Governmental Authority.

(q)SIPC Assessments. No U.S. Broker-Dealer Subsidiary is in arrears with respect to any assessment made upon it by the SIPC, and no non-U.S. Broker Dealer Subsidiary is in arrears with respect to any assessment made upon it by any local body which is similar to the SIPC.

#### ARTICLE VI COVENANTS

SECTION 6.01 Affirmative Covenants. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash



collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender), KCMH covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a) Reporting Requirements. KCMH will furnish to the Lenders:

- (i) within 50 days after the end of each of the first three fiscal quarters, its unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows, in each case as of the end of and for such fiscal quarter, setting forth in each case in comparative form (if applicable) the figures for the corresponding period of the previous fiscal year, certified by a Financial Officer to the effect that such financial statements present fairly in all material respects the financial condition and results of operations of KCMH and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to the absence of (or absence of a requirement to have) footnotes and to year-end adjustments;
- (ii) within 100 days after the end of each fiscal year, KCMH's unaudited consolidated balance sheet and related statements of income, stockholders' equity and

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cash flows as of the end of and for such fiscal year, setting forth in each case in comparative form (if applicable) the figures for the previous fiscal year, certified by a Financial Officer to the effect that such financial statements present fairly in all material respects the financial condition and results of operations of KCMH and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to the absence of (or absence of a requirement to have) footnotes;

- (iii) concurrently with any delivery of financial statements under clauses (i) and (ii) above, a certificate of a Financial Officer (x) certifying that no Default has occurred or, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (y) identifying any Subsidiary that has become a Material Foreign Subsidiary during the most recently ended fiscal quarter and (z) setting forth calculations demonstrating in reasonable detail compliance with Section 6.03;

(8) concurrently with the delivery of financial statements under clause (ii) above, an operating income budget of KCMH in reasonable detail for the current fiscal year as customarily prepared by management of KCMH for their internal use, setting forth the principal assumptions upon which such budget is based;

- (iv) as soon as available, but in any event within five Business Days of delivery to any Governmental Authority or Self Regulatory Organization, the audited annual financial statements of any Broker-Dealer Subsidiary required to be furnished to such Governmental Authority or Self Regulatory Organization;

(v) within 15 days after the end of each calendar month as to which there are any Loans or Letters of Credit outstanding on the last date of such calendar month, a schedule of Category II Borrowings, Category III Borrowings and Category IV Borrowings on the consolidated balance sheet of KCMH and its Subsidiaries, which schedule will provide the notional value of each and reflect management's good faith estimate of the value thereof as determined in a manner consistent with KCMH's internal valuation practices; and

- (vi) promptly upon request by the Administrative Agent on behalf of the Majority Lenders, such other information regarding the business, operations and financial condition of any Obligor as such Lender may reasonably request (it being understood that the Administrative Agent shall use reasonable efforts to coordinate any such requests).

(b) Existence; Conduct of Business. It will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and, except to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect, the rights, licenses, permits, privileges and franchises material to the conduct of its business (including, in the case of each Broker-Dealer Subsidiary, its registration, license or qualification as a broker-dealer with the

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SEC and/or such other applicable domestic or foreign Governmental Authority); provided that the foregoing shall not prohibit any transaction expressly permitted under Section 6.02(c).

(c) Compliance with Laws. It will, and will cause each of its Subsidiaries to, comply with all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it, its business or its Property (including, in the case of each Broker-Dealer Subsidiary, such rules and regulations of the SEC, FINRA and/or such other applicable domestic or foreign Governmental Authority or Self Regulatory Organization) except, with respect to all matters other than noncompliance by any Broker-Dealer Subsidiary with applicable minimum capital requirements, where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(d) Maintenance of Insurance. It will, and will cause each of its Subsidiaries to, maintain with financially sound and reputable insurance companies insurance on all its tangible Property in at least such amounts and against at least such risks as KCMH believes (in the good faith judgment of KCMH) are usually insured against in the same general area by companies of a similar size engaged in the same or a similar business and in a manner that is consistent with KCMH's and its Subsidiaries' past practices.

(e) Payment of Taxes. It will, and will cause each of its Subsidiaries to, pay and discharge, all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any Property of KCMH or any Subsidiary, provided that neither KCMH, nor any Subsidiary shall be required to pay any such tax, assessment, charge, levy or claim that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of KCMH) with respect thereto in accordance with GAAP or the failure to pay would not reasonably be expected to result in a Material Adverse Effect.

(f) Maintenance of Properties. It will, and will cause each of its Subsidiaries to, keep and maintain all Property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, except to the extent failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(g) Books and Records; Visitation and Inspection Rights. It will, and will cause each Borrower as well as each of its Material Subsidiaries to, keep proper books of record and account in accordance with GAAP, and permit representatives designated by the Administrative Agent, upon reasonable prior notice, to visit and inspect its Properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants (it being agreed that KCMH shall be given the opportunity to participate in any such discussion with its independent accountants), all at the reasonable expense of KCMH and at such reasonable times during normal business hours, but in each case subject to and in accordance with all applicable laws of any Governmental Authority and such confidentiality measures relating thereto as KCMH may reasonably require; provided that, other than after the occurrence of and during the continuance of an Event of Default, (i) such visitations and inspections shall not be permitted on more than two instances in

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any calendar year and (ii) only one such visitation and inspection shall be at the expense of KCMH.

(h) Notices of Material Events. It will furnish to the Administrative Agent and each Lender prompt written notice of the following:

- (i) the occurrence of any Default or Event of Default;
- (ii) the filing or commencement of any action, suit or proceeding by or before any Governmental Authority against or affecting it or any of its Subsidiaries which would reasonably be expected to be adversely determined and, if so determined, would reasonably be expected to result in a Material Adverse Effect; and
- (iii) any other event that has had, or would reasonably be expected to have, a Material Adverse Effect.

Each notice delivered under this subsection shall be accompanied by a statement of a Financial Officer setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

(i) Additional Guarantors and Grantors; Additional Borrowers.

(i) Subject to any applicable limitations set forth in the Guarantee and Security Agreement, KCMH will promptly cause each direct or indirect domestic Wholly-Owned Subsidiary (other than any Domestic Subsidiary of a Foreign Subsidiary or a Domestic Subsidiary substantially all of whose assets consist of capital stock and/or indebtedness of one or more Foreign Subsidiaries) formed or otherwise purchased or acquired after the date hereof, to execute a supplement to the Guarantee and Security Agreement substantially in the form attached to the Guarantee and Security Agreement (or otherwise in a form reasonable satisfactory to the Administrative Agent) in order to become a Guarantor and a grantor thereunder and take all other action reasonably requested by the Administrative Agent to grant a perfected security interest in its assets to substantially the same extent as granted by the Obligors on the Closing Date; provided that in any event, no Broker-Dealer Subsidiary shall be required to enter into, provide a guarantee, or grant any security interests in its assets under the Guarantee and Security Agreement or any other Loan Document.

(ii) From time to time after the Closing Date, with fifteen Business Days' prior written notice to the Administrative Agent and subject to the satisfaction of the conditions set forth in this Section 6.01(i)(ii), KCMH may designate any Subsidiary as an Additional Borrower; provided that in no event shall a Subsidiary become an Additional Borrower if such Subsidiary either (A) is an entity that would not be required to be an additional Guarantor under Section 6.01(i)(i), or (B) is a direct or indirect Subsidiary of a Person that is not required to be an additional Guarantor under Section 6.01(i)(i); and provided further that:

- (A) such Subsidiary is a Wholly-Owned Subsidiary of KCMH organized or incorporated in the United States or a jurisdiction otherwise

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approved by the Administrative Agent and the applicable Lenders; provided that, in the case of a jurisdiction in which no Borrower is organized or incorporated on the Closing Date, such designation shall be prohibited if the Administrative Agent or any applicable Lender shall not have the ability or authorization to lend into such jurisdiction;

- (B) such Subsidiary is or becomes a Guarantor prior to or contemporaneously with becoming an Additional Borrower;
- (C) no Default or Event of Default has occurred and is continuing or would result from such Subsidiary becoming an Additional Borrower;
- (D) the Administrative Agent and the Lenders shall have received at least ten Business Days prior to the date such Subsidiary becomes an Additional Borrower such documentation and information as is reasonably requested in writing by the Administrative Agent or any applicable Lender to the extent required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act;
- (E) the Administrative Agent shall have received a duly executed and delivered Additional Borrower Joinder Agreement and a duly executed and delivered pledge of the equity of such Subsidiary in accordance with the Guarantee and Security Agreement; and
- (F) the Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of such Subsidiary (or a duly authorized committee thereof) authorizing (a) the execution, delivery, and performance of the Additional Borrower Joinder Agreement and the other Loan Documents (and any agreements relating thereto) to which it is a party and (b) the extensions of credit contemplated hereunder, (ii) the certificate of incorporation and by-laws, certificate of formation and operating agreement or other comparable organizational documents, as applicable, of such Subsidiary, (iii) signature and incumbency certificates (or other comparable documents evidencing the same) of the authorized officers of such Subsidiary executing the Additional Borrower Joinder Agreement and the other Loan Documents to which it is a party, and (iv) if requested by Administrative Agent, a customary legal opinion from outside counsel to the Borrower as to customary joinder matters.

(iii) Upon any Subsidiary becoming an Additional Borrower in accordance with Section 6.01(i), such Subsidiary shall be, jointly and severally, for all purposes, and with all rights and obligations of, a "Borrower" under this Agreement and the other Loan Documents.

(j) Pledge of Material Foreign Subsidiaries. Subject to any applicable limitations set forth in the Guarantee and Security Agreement, KCMH will promptly deliver to the Administrative Agent a local law pledge agreement under the jurisdiction of organization or

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formation of each Subsidiary that is directly owned by an Obligor and identified as a Material Foreign Subsidiary in accordance with Section 6.01(a)(iii)(y) in a customary form reasonably satisfactory to the Administrative Agent, together with (i) copies of such Material Foreign Subsidiary's constitutive documents and documents evidencing that such Material Foreign Subsidiary has taken of all necessary action authorizing and approving the execution, delivery and performance of the Loan Documents to which it is a party, and (ii) a legal opinion in a form reasonably satisfactory to the Administrative Agent from counsel to such Material Foreign Subsidiary.

(k) Pledge of Additional Stock and Evidence of Indebtedness. Subject to the Intercreditor Agreement and to any applicable limitations set forth in the Guarantee and Security Agreement or with respect to which, in the reasonable judgment of the Administrative Agent (confirmed in writing by notice to KCMH), the cost or other consequences (including any adverse tax consequences) of doing so shall be excessive in view of the benefits to be obtained by the Lenders therefrom, KCMH will cause (i) all certificates representing Equity Interests (if any) of any Subsidiary held directly by any Borrower or any Guarantor and (ii) all evidences of Indebtedness in excess of \$5,000,000 received by any Borrower or any of the Guarantors, in each case, promptly to be delivered along with applicable instruments of transfer duly executed in blank to the Administrative Agent (or its designee) as security for the obligations owed under the Loan Documents, under the Guarantee and Security Agreement.

(l) Further Assurances. Subject to the Intercreditor Agreement, it will, and will cause each of the Guarantors to, from time to time give, execute, deliver, file and/or record any financing statement, notice, instrument, document, agreement or other paper that is necessary to cause the Liens created by the Guarantee and Security Agreement to be valid first priority perfected Liens on the Property purported to be covered thereby (including after-acquired Property, it being understood that, except as set forth in paragraph (j) above, there shall be no requirement to enter into or deliver security agreements or pledge agreements governed by the laws of any non-U.S. jurisdiction) or otherwise take steps to perfect any security interest or Lien securing the Obligations under the laws of any non-U.S. jurisdiction), subject to no equal or prior Lien except as otherwise permitted by the Loan Documents, and promptly from time to time obtain and maintain in full force and effect, and cause each of the Guarantors to obtain and maintain in full force and effect, all licenses, consents, authorizations and approvals of, and make all filings and registrations with, any Governmental Authority necessary under the Laws of the jurisdiction of organization of such Guarantor (or any other jurisdiction in which part of the Collateral owned by it or by any Guarantor may be situated) for the making and performance by it of the Loan Documents to which it is a party. Notwithstanding the foregoing or anything to the contrary in any Loan Document, it is hereby agreed and acknowledged that any requirement to take any action to establish perfection by control under any Loan Document is subject to the Intercreditor Agreement, and the establishment of such control by the Administrative Agent's designee or bailee set forth in the Intercreditor Agreement shall constitute compliance with any such requirement to establish such control by the Administrative Agent under the Loan Documents.

(m) Post Closing Actions. Notwithstanding anything to the contrary in any Loan Document, it will, within 60 days after the Closing Date (or such later date as the Administrative Agent shall reasonably agree) enter into an update to the existing control

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agreement, in a manner previously agreed between the Borrower and the Administrative Agent, with respect to the Pledged Deposit Account (as defined in the Guaranty and Security Agreement), in a form reasonably satisfactory to the Administrative Agent.

SECTION 6.02: Negative Covenants. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender), KCMH covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a) Indebtedness. It will not, and will not permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Indebtedness, provided that KCMH and any Subsidiary may incur Indebtedness (and all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest with regard to such Indebtedness) if (x) immediately before and after such incurrence, no Default or Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to  $[\ast\ast]$  to 1.00 after giving proforma effect thereto. The limitations set forth in the immediately preceding sentence shall not apply to any of the following items:

- (i) Indebtedness arising under the Loan Documents;
- (ii) Intercompany Indebtedness owed among the Borrowers and/or their Subsidiaries (including any Indebtedness used to finance any financing transaction);
  - (iii) Permitted Subordinated Debt;
  - (iv) Indebtedness in respect of Hedging Agreements;
- (v) Indebtedness in respect of overdraft facilities, netting services, automatic clearinghouse arrangements and other cash management and similar arrangements in the ordinary course of business;
- (vi) additional Indebtedness of KCMH and its Subsidiaries in an aggregate principal amount not to exceed  $[\ast\ast]$  at any time outstanding;
- (vii) Indebtedness arising under the 364-Day Credit Agreement (and the other Loan Documents (as defined therein)), and any refinancing, renewal or replacement thereof;
- (viii) Indebtedness arising under fronting and/or settlement facilities ("Fronting Facilities"); provided that, at least 10 Business Days prior to incurring any such Indebtedness (or such shorter period as MHC B shall reasonably agree, it being

agreed MHCB shall use commercially reasonable efforts to provide a response to KCMH as soon as practicable after receipt of such notice), KCMH and/or the relevant Subsidiary shall have provided MHCB a bona fide opportunity (through a written notice to MHCB) to provide such Indebtedness, including an offer regarding the timing of establishing

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such indebtedness, and MHCB shall have either (1) declined (through a written notice from the Administrative Agent to KCMH and/or such Subsidiary) to accept such offer to provide such Indebtedness or (2) failed to respond in writing to such offer, in each case, within such 10 Business Day period; and

(ix) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (i) through (viii) above.

(b) Liens. It will not, nor will it permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any Property now owned or hereafter acquired by it, except Liens under the Guarantee and Security Agreement and other Liens in favor of the Administrative Agent as contemplated hereby and except:

(i) Liens arising under the Loan Documents;

(ii) Liens securing Finance Subsidiary Debt; provided that the terms of any Finance Subsidiary Debt (including any intercreditor arrangements entered into in connection therewith) shall provide that the Liens on the Collateral granted under the Guarantee and Security Agreement have at least second priority (to the extent the terms of such Finance Subsidiary Debt do not permit the obligations under the Loan Documents to be secured on a first priority basis *pari passu* with such Finance Subsidiary Debt) after giving effect to the incurrence of such Finance Subsidiary Debt; provided further that the assets securing any such Finance Subsidiary Debt shall be limited to (A) the assets of the Finance Subsidiary or Finance Subsidiaries incurring such Finance Subsidiary Debt and (B) the common equity interests of such Finance Subsidiary or Finance Subsidiaries;

(iii) Permitted Liens;

(iv) Liens securing Indebtedness or other obligations of a KCMH or any Subsidiary of KCMH in favor of KCMH or any Subsidiary of KCMH;

(v) Liens (A) of a collecting bank arising under Section 4-208 of the UCC on items in the course of collection, (B) attaching to commodity trading accounts or other commodities brokerage accounts incurred in the ordinary course of business; and (C) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off);

(vi) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business;

(vii) Liens that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (B) relating to pooled deposit or sweep accounts of KCMH or any of its Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of KCMH and its Subsidiaries or (C) relating to agreements

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entered into with customers of KCMH or any of its Subsidiaries in the ordinary course of business;

(viii) additional Liens so long as the aggregate principal amount of the obligations secured thereby at any time outstanding does not exceed \$[\*\*];

(ix) the modification, replacement, extension or renewal of any Lien permitted by this Section 6.02(b) upon or in the same assets theretofore subject to such Lien (or upon or in after-acquired property that is affixed or incorporated into the property covered by such Lien or any proceeds or products thereof) or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor except to the extent otherwise permitted hereunder) of the Indebtedness secured thereby;

(x) Liens securing obligations in respect of Indebtedness outstanding under Section 6.02(a)(vii), provided such Liens shall only extend to Collateral and shall be *pari passu* with the Liens securing the Obligations hereunder and subject to the Intercreditor Agreement, or junior to the Liens securing the Obligations and subject to an intercreditor agreement in form and substance reasonably satisfactory to the Administrative Agent and KCMH; and

(xi) Liens securing obligations in respect of Indebtedness outstanding under Section 6.02(a)(viii), provided such Liens only extend to the loans made pursuant to such Fronting Facility and other assets related thereto, and in each case, the proceeds thereof. It is agreed that upon the incurrence of a Lien permitted pursuant to this clause (xi), any Collateral subject to such Lien shall be automatically released from the Liens securing the Obligations (and the Administrative Agent shall take such actions as reasonably requested by KCMH to evidence such release (or absence) of such Lien, it being understood that the Lenders authorize the Administrative Agent to enter into any such documentation, with the Administrative Agent authorized to rely on a certificate from KCMH confirming the automatic release (or absence) of such Lien hereunder in delivering any such documentation).

(c) Mergers, Consolidations, Sales of Assets, Etc. It will not merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its Property (in each case, whether now owned or hereafter acquired), or liquidate or dissolve (provided, that, if at the time thereof and immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing, any Person may merge into KCMH in a transaction in which KCMH is the surviving entity) and it will not permit any of its Subsidiaries to merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with any Subsidiary, if a Default or Event of Default would result as a result from any such merger or consolidation and, if involving a Borrower or a Guarantor, unless such Borrower or Guarantor is the surviving entity or such successor entity is a Subsidiary of KCMH immediately

following such merger or consolidation and expressly assumes the obligations of such Borrower or Guarantor, as applicable, under the Loan Documents; provided further that Subsidiaries of KCMH shall be permitted to liquidate or dissolve, except to the extent such liquidation or dissolution would reasonably be expected to

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result in a Material Adverse Effect and provided that upon or prior to the liquidation or dissolution of any Borrower no Borrowings of such Borrower or Letters of Credit issued for the account of such Borrower are outstanding.

(d) Investments. Without the prior written consent of the Majority Lenders (such consent not to be unreasonably withheld), it will not, and will not permit any of its Subsidiaries to, make any Investment in KKR or its Affiliates; provided, that so long as no Event of Default has occurred and is continuing, KCMH and its Subsidiaries may make Investments in the ordinary course of KCMH and its Subsidiaries' capital markets business and in compliance with Section 6.02(i) in (i) any KCM Group Entity, (ii) any portfolio company (or any entity controlled by a portfolio company) of any fund, separately managed account or partnership managed or controlled or sponsored by KKR and/or its Affiliates (any such fund, account or partnership, a "KKR Vehicle") and (iii) any KKR Vehicle with publicly traded securities or securities issued pursuant to Rule 144A of the Securities Act of 1933 or any foreign equivalent or with respect to which a registration statement or equivalent foreign document has been filed.

(e) Dividends. It will not, and will not permit any of its Subsidiaries to, declare or pay any dividends or make distributions (other than dividends or distributions payable solely in its Equity Interests (other than Disqualified Equity Interests)) or return any capital to its equity holders or make any other distribution, payment or delivery of property or cash to its equity holders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any of its Equity Interests or Equity Interests of any direct or indirect parent thereof now or hereafter outstanding, or set aside any funds for any of the foregoing purposes, or permit any of its Subsidiaries to purchase or otherwise acquire for consideration any Equity Interests of KCMH, now or hereafter outstanding (all of the foregoing, "dividends"), provided that KCMH and any Subsidiary may pay dividends if (x) immediately before and after paying such dividend, no (1) Default or (2) Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to [\*\*] to 1.00 after giving pro forma effect thereto. The limitations set forth in the immediately preceding sentence (other than subclause (x)(2) in the proviso thereto) shall not apply to any of the following items so long as KCMH is in compliance with Section 6.03 after giving pro forma effect thereto:

(i) it may (or may pay dividends to permit any direct or indirect parent thereof to) redeem in whole or in part any of its Equity Interests for another class of its (or such parent's) Equity Interests (other than Disqualified Equity Interests) or with proceeds from substantially concurrent equity contributions or issuances of new Equity Interests (other than Disqualified Equity Interests), provided that such new Equity Interests contain terms and provisions at least as advantageous to the Lenders in all respects material to their interests as those contained in the Equity Interests redeemed thereby;

(ii) it may pay dividends, the proceeds of which will be used to pay (or to pay dividends to allow any direct or indirect parent of KCMH to pay (including to the individual owners of any direct or indirect parent of KCMH)) the tax liability of such parent and the individual owners of any direct or indirect parent, determined at the highest combined federal, state and local income tax rate applicable to an individual

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resident in New York City, attributable to the direct or indirect ownership of KCMH or its Subsidiaries determined as if KCMH and its Subsidiaries filed separately;

(iii) it or any of its Subsidiaries may (i) pay cash in lieu of fractional Equity Interests in connection with any dividend, split or combination thereof and (ii) honor any conversion request by a holder of convertible Indebtedness and make cash payments in lieu of fractional shares in connection with any such conversion; and

(iv) any Subsidiary of KCMH may pay dividends to its direct parent; provided that if any such dividends are paid by a non-Wholly-Owned Subsidiary, such dividends shall be made ratably based on the equity holder's interests therein (or any other amount more favorable to KCMH), provided further that if the proceeds of any outstanding Loans or Letters of Credit have been used for an Investment in such non-Wholly-Owned Subsidiary, any cash dividends paid to such parent shall be applied to prepay such Loans or cash collateralize such Letters of Credit if no Loans are outstanding, at the option of the Administrative Agent, without application of Section 3.12 or at the end of the next Interest Period(s) (in the case of a Term Benchmark Loan other) or calendar quarter (in the case of an ABR Loan or RFR Loan), as applicable.

(f) Subordinated Debt Payments. It will not, and will not permit any of its Subsidiaries to, prepay, repurchase or redeem, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner, or make any payment in violation of any subordination terms of, any Subordinated Indebtedness; provided that KCMH and any Subsidiary may prepay, repurchase or redeem, defease or otherwise satisfy any Subordinated Indebtedness if (x) immediately before and after such payment, no Default or Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to [\*\*] to 1.00 after giving pro forma effect thereto. Notwithstanding the foregoing, nothing in this Section 6.02(f) shall prohibit the repayment or prepayment of intercompany Subordinated Indebtedness owed among KCMH and/or its Subsidiaries, in either case unless an Event of Default has occurred and is continuing and KCMH has received a notice from the Administrative Agent instructing it not to make or permit any such repayment or prepayment.

(g) Burdensome Agreements. It will not, and will not permit any of its Subsidiaries to, enter into or suffer to exist or become effective any agreement that prohibits or limits the ability (i) of any Obligor to create, incur, assume or suffer to exist any Lien upon



any of its material Property or revenues, whether now owned or hereafter acquired, to secure the Obligations or, in the case of any Guarantor, its obligations under the Guarantee and Security Agreement, or (ii) of any Subsidiary to make Restricted Payments to any Borrower or any Guarantor or to otherwise transfer property to or invest in any Borrower or any Guarantor, other than (A) this Agreement and the other Loan Documents, (B) any agreements governing Finance Subsidiary Debt and, in the case of clause (i) above only, purchase money Liens (or any permitted refinancing in respect thereof) or Finance Lease Obligations otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby and in the case of any permitted refinancing of purchase money Indebtedness, no more restrictive than that in the relevant refinanced agreement), (C) any such agreement in effect at the time any Subsidiary becomes a Subsidiary of KCMH, so long as such agreement was not entered into solely in contemplation of such Person becoming a Subsidiary of KCMH,

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(D) any such agreement imposed or required by or otherwise entered into with any applicable Governmental Authority, (E) any agreement in respect of Indebtedness outstanding under Section 6.02(a)(vii) or (viii) and (F) any agreement in respect of Indebtedness permitted to be outstanding under this Agreement, provided such restrictions do not, in the good faith judgment of KCMH, impair in any material respect the ability of the Borrowers hereunder to comply with their payment obligations under the Loan Documents.

(h) Affiliate Transactions. It will not, and will not permit any of its Subsidiaries to, enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate (other than KCMH or any of its Subsidiaries) unless such transaction is (a) otherwise permitted under this Agreement, including the payment and receipt of any dividend permitted pursuant to Section 6.02(e), and (b) upon terms that, in the aggregate, are no less favorable to KCMH or such Subsidiary, as the case may be, than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate; provided that nothing in this Section 6.02(h) shall prohibit KCMH or any of its Subsidiaries from providing placement, advisory or other services in the ordinary course of business so long as such services do not include a funding obligation of KCMH or such Subsidiary.

(i) Line of Business. It will not, nor will it permit any of its Subsidiaries to, enter into any business, either directly or through any Subsidiary, except for those businesses in which KCMH and its Subsidiaries are engaged on the Closing Date or that are reasonably related thereto.

(j) Change in Fiscal Year. It will not make any change to its fiscal year; provided that KCMH may, upon written notice to the Administrative Agent, change its fiscal year end to any other fiscal year end reasonably acceptable to the Administrative Agent, in which case KCMH and the Administrative Agent will, and are hereby authorized by the other parties hereto to, make any adjustments to this Agreement that are necessary to effect such change.

SECTION 6.03. Financial Covenant. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender and the Administrative Agent), KCMH covenants and agree that, unless the Majority Lenders shall otherwise consent in writing, KCMH will not permit the Debt to Equity Ratio on the last day of any fiscal quarter of KCMH to exceed [\*\*] to 1.00.

## ARTICLE VII

### EVENTS OF DEFAULT

SECTION 7.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

(a) any Borrower shall fail to pay when due any principal of any Loan;

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(b) any Borrower shall fail for five Business Days or more to pay any interest, fee or L/C Reimbursement Obligation or any other amount (other than principal) payable by such Borrower under any Loan Document when and as the same shall become due and payable;

(c) any representation or warranty made or deemed made by an Obligor in this Agreement, any other Loan Document or in any certificate furnished pursuant to this Agreement shall prove to have been untrue in any material respect when made or deemed made;

(d) any Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 6.01(b) (with respect to the legal existence of such Borrower), (h)(i), 6.02 (other than those contained in clause (j) of such Section) or 6.03;

(e) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Section) or in any other Loan Document, and such failure shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent to KCMH;

(f) any Borrower or any Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall fail to make any payment of principal of or interest on any Material Indebtedness when and as the same shall become due and payable (beyond any period of grace, if any); or any event or condition occurs that results in the acceleration (or, solely with respect to any Material Indebtedness incurred under Section 6.02(a)(iii), permits the holders of such Indebtedness (or a trustee or agent on behalf of such holders) to cause such acceleration) of such Material Indebtedness prior to its scheduled maturity;

- (g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, winding up, reorganization or other relief in respect of any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) or its debts, or of a substantial part of its Property, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) or for a substantial part of its Property, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;
- (h) any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, winding up, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (g) of this Section, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Material Subsidiary (other than

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any Finance Subsidiary) or for a substantial part of its Property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

- (i) any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

- (j) one or more judgments for the payment of money in an aggregate amount in excess of \$[\*] shall be rendered against KCMH or any Subsidiary and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any Property of KCMH or any Subsidiary to enforce any such judgment;

- (k) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred for which liability has not been fully satisfied, would reasonably be expected to result in a Material Adverse Effect; or

- (l) the Guarantee and Security Agreement shall cease to be valid and binding on, or enforceable against, (i) KCMH or (ii) any other Borrower or Guarantor which is a Material Subsidiary (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Administrative Agent or any Lender), or KCMH or any such other Borrower or Guarantor shall so assert in writing; or

- (m) a Change of Control shall occur;

then the Administrative Agent shall upon the request of the Majority Lenders, by notice to KCMH, take any or all of the following actions, at the same or different times: (i) terminate the Commitments and thereupon they shall terminate immediately, (ii) terminate any obligation of the Issuing Lender to issue Letters of Credit hereunder, and thereupon such obligations shall terminate, (iii) declare the Loans and all other amounts payable by the Obligors under the Loan Documents to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of each Borrower accrued and other amounts payable by the Obligors under the Loan Documents, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower, and/or (iv) require the Borrowers to jointly and severally provide cash collateral for L/C Reimbursement Obligations and the outstanding undrawn Letters of Credit in an aggregate amount equal to the then aggregate L/C Exposure and thereupon the Borrowers shall forthwith provide such cash collateral on terms and subject to documentation reasonably satisfactory to the relevant Issuing Lenders and the Administrative Agent; and in case of any event applicable to any Borrower described in clause (g) or (h) of this Section, the Commitments and such obligations of the Issuing Lender shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the

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Obligors accrued under the Loan Documents, shall automatically become due and payable, and the Borrowers jointly and severally shall automatically be required to provide such cash collateral, all without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower. Nothing herein shall terminate or otherwise modify the obligations of the Lenders under Section 2.02(d).

#### SECTION 7.02. Investors' Right to Cure.

- (a) Notwithstanding anything to the contrary contained in Section 7.01(d), in the event that KCMH fails to comply with the requirements of the covenant set forth in Section 6.03, until the expiration of the tenth day after the date on which financial statements for the fiscal period in which the covenant set forth in such Section 6.03 is being measured are required to be delivered pursuant to Section 6.01(a), any Person shall have the right to make a direct or indirect equity investment in KCMH in cash (the "Cure Right"), and upon the receipt by such Person of net cash proceeds pursuant to the exercise of the Cure Right (including through the capital contribution of any such net cash proceeds to such Person), the covenant set forth in such Section 6.03 shall be recalculated, giving effect to a proforma increase to Total Equity as of the relevant date of determination in an amount equal to such net cash proceeds.
- (b) If, after the exercise of the Cure Right and the recalculations pursuant to clause (a) above, KCMH shall then be in compliance with the requirements of the covenant set forth in Section 6.03 for the relevant fiscal quarter, KCMH shall be deemed to have satisfied the requirements of such covenant as of the relevant date of determination with the same effect as though there had been



no failure to comply therewith at such date, and the applicable Default or Event of Default under Section 7.01(d) that had occurred shall be deemed cured.

#### ARTICLE VIII

##### THE ADMINISTRATIVE AGENT

**SECTION 8.01. Appointment and Authority.** i) Each of the Lenders hereby irrevocably appoints MHC B to act on its behalf as the Administrative Agent under and in connection with the Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders and the Borrowers shall have no rights as a third party beneficiary of any of such provisions.

(a) Each Issuing Lender shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each such Issuing Lender shall have all of the benefits and immunities (i) provided to the Administrative Agent in this Article VIII with respect to any acts taken or omissions suffered by such Issuing Lender in connection with Letters of Credit issued by it or proposed to be issued by it and the applications and agreements for letters of credit pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in this Article VIII included such Issuing Lender with respect to

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such acts or omissions, and (ii) as additionally provided herein with respect to such Issuing Lender.

(b) The Administrative Agent shall also act as the "collateral agent" under the Loan Documents, and each of the Lenders and the Issuing Lender hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the Issuing Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Obligors to secure any of the obligations of the Obligors under the Loan Documents, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 8.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Loan Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of this Article VIII and Article IX as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents as if set forth in full herein with respect thereto.

**SECTION 8.02. Rights as a Lender.** The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Obligor or any Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

##### **SECTION 8.03. Exculpatory Provisions.**

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and

(iii) shall not, except as expressly set forth in the Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information

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relating to any Obligor or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 9.01) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by a Borrower or a Lender.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

**SECTION 8.04. Reliance by Administrative Agent.** The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by

telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan or issuance of a Letter of Credit that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan or such issuance. The Administrative Agent may consult with legal counsel (who may be counsel for a Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 8.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers under any Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent and any Issuing Lender may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent and the Issuing Lender, and shall apply to

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their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

SECTION 8.06. Resignation of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders and KCMH. Upon receipt of any such notice of resignation, the Majority Lenders shall have the right, in consultation with KCMH, to appoint a successor, which shall be a nationally recognized bank with an office in New York, New York or an Affiliate of any such bank with an office in New York, New York. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above, provided, that if the Administrative Agent shall notify KCMH and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (b) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Majority Lenders appoint a successor Administrative Agent as provided for above in this subsection. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations under the Loan Documents (if not already discharged therefrom as provided above in this subsection). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between KCMH and such successor. After the retiring Administrative Agent's resignation, the provisions of this Article and Section 9.04 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

SECTION 8.07. Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon any Loan Document or any related agreement or any document furnished hereunder or thereunder.

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SECTION 8.08. No Other Duties; Etc. Anything herein to the contrary notwithstanding, the Lead Arranger and any bookrunner listed on the cover page hereof shall not, in such capacities, have any powers, duties or responsibilities under any of the Loan Documents.

SECTION 8.09. Intercreditor Agreement Governs. The Administrative Agent, each Lender and each Obligor hereby agrees that it will be bound by and will take no actions contrary to the provisions of the Intercreditor Agreement and any other intercreditor agreement entered into pursuant to the terms hereof. Each Lender hereby authorizes and instructs the Administrative Agent to enter into the Intercreditor Agreement and each other intercreditor agreement entered into pursuant to the terms hereof (including any amendments or other modifications thereof) and to subject the Liens securing the Obligations to the provisions thereof.

SECTION 8.10. Collateral Matters; Credit Bidding.

(a) Except with respect to the exercise of setoff rights in accordance with Section 9.03 or with respect to a Secured Creditor's right to file a proof of claim in an insolvency proceeding, no Secured Creditor shall have any right individually to realize upon any of the Collateral or to enforce any Guarantee of the Obligations, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Creditors in accordance with the terms thereof.

(b) The Secured Creditors hereby irrevocably authorize the Administrative Agent, at the direction of the Majority Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of any bankruptcy laws, including under Sections 363, 1123 or 1129 of the United States Bankruptcy Code, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by

judicial action or otherwise) in accordance with any applicable law; *provided* that to the extent the Loans are paid in full in cash, the Commitments are terminated and the Letters of Credit cash collateralized in accordance with the terms hereof, the consent of Majority Lenders shall not be required in connection with any such credit bid. In connection with any such credit bid and purchase, the Obligations owed to the Secured Creditors shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Majority Lenders and, except as set forth above, with the consent of the Majority Lenders, on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Creditors' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of

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closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Majority Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Majority Lenders contained in Section 9.01 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Creditors, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Creditor or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Creditors pro rata with their original interest in such Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Creditor or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Creditor are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Creditor shall execute such documents and provide such information regarding the Secured Creditor (and/or any designee of the Secured Creditor which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

ARTICLE IX  
MISCELLANEOUS  
SECTION 9.01. Amendments, Etc.

(a) No amendment or waiver of any provision of this Agreement or any other Loan Document, nor consent to any departure by a Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrowers and the Majority Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, that no amendment, waiver or consent shall, unless in writing and signed by each Lender directly and adversely affected thereby, do any of the following: (i) subject such Lender to any additional obligations including, without limitation, any extension of the expiry date of the Commitment of such Lender or increase the Commitment of such Lender, (ii) reduce the principal of, or rate of interest on, any Loan, L/C Reimbursement Obligation or any fees or other amounts payable hereunder, (iii) postpone any date for payment

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of principal of, or interest on, any Loan, L/C Reimbursement Obligation or any fees or other amounts payable hereunder when due (other than fees or other amounts payable for the sole account of an Issuing Lender), or (iv) modify any of the provisions of the Loan Documents relating to prorata payments; and provided further, that no amendment, waiver or consent shall, unless in writing and signed by all of the Lenders, change the percentage of the Commitments or of the aggregate unpaid principal amount of the Loans, or the number of Lenders, which shall be required for the Lenders or any of them to take any action hereunder, (A) amend Section 3.07(a) or (b), or this Section 9.01, or (B) release all or substantially all of the Collateral or all or substantially all of the value of the Guarantees provided by the Guarantors; and provided further, that (x) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and the Issuing Lenders in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent or, as the case may be, the Issuing Lenders under any Loan Document and (y) if the Administrative Agent and KCMH shall have jointly identified an obvious error or any error or omission of a technical or immaterial nature in any provision of the Loan Documents, then the Administrative Agent and KCMH shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document if the same is not objected to in writing by the Majority Lenders within five Business Days after notice thereof. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

(b) This Agreement, the other Loan Documents and the other agreements provided for herein constitute the entire agreement of the parties hereto and thereto with respect to the subject matter hereof and thereof.

SECTION 9.02. Notices, KCMH as Administrative Borrower, Etc.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsections (b) and (c) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, in each case, as follows:

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(i) if to any Borrower or any Guarantor:  
c/o KKR Capital Markets Holdings L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
Attention: John Knox – Financial Controller; Jeff Schwartz - Counsel  
Telephone: 212-750-8300  
Facsimile: 212-750-0003  
Electronic Mail: john.knox@kk.com

(ii) if to the Administrative Agent:  
Mizuho Bank, Ltd.  
New York Branch  
1271 Avenue of the Americas  
New York, New York 10020  
Attention: Sean Pattap  
Telephone: 212-282-4098  
Electronic Mail: sean.pattap@mizuhogroup.com

(iii) if to the Issuing Lender:  
Mizuho Bank, Ltd.  
New York Branch  
1271 Avenue of the Americas  
New York, New York 10020  
Attention: Sean Pattap  
Telephone: 212-282-4098  
Electronic Mail: sean.pattap@mizuhogroup.com

(iv) if to a Lender, to it at its address (or telecopier number, electronic mail address or telephone number) set forth in its Administrative Questionnaire;  
provided, that any party may change its address, telecopier number, electronic mail address or telephone number for notices and other communications hereunder by notice to the other parties. Except as provided in clause (d) below, notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient), except that notices and communications to the Administrative Agent pursuant to Article II or Article VII shall not be effective until received by the Administrative Agent. Notices delivered through electronic communications to the extent provided in clause (b) below, shall be effective as provided in said clause (b).

(b) Notices and other communications to any Lender hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has

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notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or any Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Each Borrower further agrees that the Administrative Agent may make communications to Lenders available to the Lenders by posting the communications on Intralinks or a substantially similar electronic transmission system (the "Platform"). THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE

DEFECTS, IS MADE BY THE AGENT PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT OR ANY OF ITS AFFILIATES OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, ADVISORS OR REPRESENTATIVES (COLLECTIVELY, THE "AGENT PARTIES") HAVE ANY LIABILITY TO ANY OBLIGOR, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF SUCH OBLIGOR'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT THE LIABILITY OF ANY AGENT PARTY IS FOUND IN A FINAL NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED PRIMARILY FROM SUCH AGENT PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(d) The Administrative Agent agrees that the receipt of the communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the communications to the Administrative Agent for purposes of the Loan Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying

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that the communications have been posted to the Platform shall constitute effective delivery of the communications to such Lender for purposes of the Loan Documents. Each Lender agrees (i) to provide to the Administrative Agent in writing (including by electronic communication), promptly after the date of this Agreement, one or more e-mail addresses to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such e-mail address or addresses.

(e) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

(f) The Borrowers each hereby irrevocably appoint KCMH as the administrative borrower with respect to this Agreement and the other Loan Documents, and all notices, demands and interactions with KCMH are hereby authorized by the other Borrowers, and shall be conclusive and binding on the other Borrowers, who duly and irrevocably authorize KCMH to act on their behalf for all purposes under this Agreement and the other Loan Documents, and the Administrative Agent and the Lenders may conclusively rely on all notices, directions, and other interactions with KCMH without consulting in any manner with the other Borrowers.

**SECTION 9.03. ~~No Waiver; Remedies; Setoff.~~**

(a) No failure on the part of any Lender or the Administrative Agent to exercise, and no delay in exercising any right, remedy, power or privilege hereunder (~~other than a failure~~ or under any other Loan Document ~~delay beyond a period of time specified herein~~) shall operate as a waiver thereof; ~~thereof~~ nor shall any single or partial exercise of any such right, remedy, power or privilege ~~thereof~~ preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges ~~remedies~~ herein provided are ~~shall be~~ cumulative and not exclusive of any rights or remedies powers and privileges provided by law.

**(b) Section 14.** If an Event of Default shall have occurred ~~Successor and be continuing, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender to or for the credit or the account of any Borrower against any and all Assigns.~~ All of the obligations of such now or hereafter existing under this Agreement or any other Loan Document to such Lender irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document ~~terms~~ and although such obligations of such Borrower may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender may have. Each Lender agrees to notify KCMH and the Administrative Agent promptly after any such setoff and application, provided, that the failure to give such notice shall not affect the validity of such setoff and application.

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**SECTION 9.04. ~~Expenses; Indemnity; Damage Waiver.~~**

(a) ~~Costs and Expenses.~~ The Borrowers jointly and severally shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Lead Arranger and their respective Affiliates (including the reasonable fees, charges and disbursements of one counsel (together with one local counsel in each relevant jurisdiction)), in connection with the syndication of the facility contemplated hereby, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof, (ii) all out-of-pocket expenses incurred by the Administrative Agent and the Lenders (including the fees, charges and disbursements of one counsel (together with one local counsel in each relevant jurisdiction) and, after notice to KCMH, of more than one such counsel to the extent the Administrative Agent or any Lender reasonably determines that there is an actual conflict of interest requiring the employment of separate counsel) in connection with the enforcement (including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect thereof) or, during the continuance of an Event of Default, protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section and (iii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Lender in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder.

(b) ~~Indemnification by the Borrower.~~ The Borrowers jointly and severally hereby indemnify the Administrative Agent, the Lead Arranger, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of one counsel for the Indemnitees (together with one local counsel in each relevant jurisdiction) and,



after notice to KCMH, of more than one such counsel to the extent any Indemnatee reasonably determines that there is an actual conflict of interest requiring the employment of separate counsel), incurred by any Indemnatee or asserted against any Indemnatee by any third party or by any Borrower or any other Obligor arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Borrower or any other Obligor and regardless of whether any Indemnatee is a party thereto, provided, that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a final and nonappealable judgment of a court of competent jurisdiction to have resulted from the bad faith, gross negligence or willful misconduct of such Indemnatee or (y) result from a claim brought by any Borrower against an Indemnatee for material breach of such Indemnatee's obligations hereunder or under any other Loan Document, if such Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent

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jurisdiction. This Section 9.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c)Reimbursement by Lenders. To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under clause (a) or (b) of this Section to be paid by it to the Administrative Agent, the Issuing Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent, the Issuing Lender or such Related Party, as the case may be, such Lender's Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided, that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or the Issuing Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent or the Issuing Lender in connection with such capacity.

(d)Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, each party hereto agrees that it will not assert, and hereby waives, any claim against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, any Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any Letter of Credit or the use of proceeds thereof. No Indemnatee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnatee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the bad faith, gross negligence or willful misconduct of such Indemnatee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e)Payments. All amounts due under this Section shall be payable not later than 15 Business Days after demand therefor.  
SECTION 9.05.Binding Effect, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Administrative Agent and each Lender and their respective successors and permitted assigns, except that no Borrower shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the Administrative Agent and the Lenders.

#### SECTION 9.06.Assignments and Participations.

(a)Successors and Assigns Generally. The provisions of this Agreement shall be binding upon, and shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors, assigns, heirs, executors, administrators and assigns permitted hereby, except that no Borrower may assign legal representatives. The Corporation shall require and cause any direct or otherwise transfer any indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of its rights business or obligations hereunder without assets, by written agreement in form and substance reasonably satisfactory to the prior written consent of the Administrative Agent Indemnatee, expressly to assume and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) agree to an Eligible Assignee in accordance with the provisions of clause (b) of

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this Section, (ii) by way of participation in accordance with the provisions of clause (d) of this Section or (iii) by way of pledge or assignment of a security interest in accordance with clause (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in perform this Agreement expressed or implied, shall be construed to confer upon any Person (other than in the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in clause (d) of this Section same manner and to the same extent expressly contemplated hereby, that the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement. Corporation would be required to perform if no such succession had taken place.

#### (b) Section 15. Arbitration.

(a) Assignments by Lenders. Any Lender may at and all disputes regarding the Indemnatee's entitlement to indemnification or advancement of expenses that cannot be settled amicably, including any time assign ancillary claims of any party arising out of, relating to one or more Eligible Assignees all in connection with the validity, negotiation, execution, interpretation, performance or a portion non-performance of its rights and obligations under this Agreement (including all or a portion without limitation the arbitrability of its Commitment and the Loans at the time owing to it); provided, that

(i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with

respect to a Lender, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof, unless each of the Administrative Agent and, unless an Event of Default has occurred and is continuing, KCMH otherwise consents (each such consent not to be unreasonably withheld or delayed);

(ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned;

(iii) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500 and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire; and

(iv) no assignment shall be made to a natural person.

Subject to notice to KCMH and acceptance and recording thereof by the Administrative Agent pursuant to clause (c) of this Section, from and after the Assignment Date specified in each Assignment and Assumption (an "Assignment Date"), the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender **any issue** under this Agreement and the assigning Lender thereunder shall, to **validity, scope and enforceability of this arbitration provision** may, at the extent of the interest assigned **Indemnatee's option, be finally settled** by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under

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this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.09, 3.11, 3.12 and 9.04 with respect to facts and circumstances occurring prior to such Assignment Date. Any assignment or transfer **arbitration conducted** by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation **single arbitrator** in such rights and obligations **New York, New York** in accordance with clause (d) **the then-existing Rules** of this Section.

(c) **Register**. The Administrative Agent, acting solely for this purpose as an agent **Arbitration** of the Borrowers, shall maintain at its address specified in Section 9.02 a copy **International Chamber** of each Assignment and Assumption delivered **Commerce**. **If the parties** to it and a register for the recordation **dispute fail to agree on the selection of an arbitrator within 30 days** of the names and addresses **receipt of the Lenders, request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct** the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries **proceedings** in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) **Participations**. Any Lender may at any time, without the consent of, or notice to, any Borrower or the Administrative Agent, sell participations to any Person (other than a natural person or any Borrower or any of any of KCMH's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); **provided**, that (i) such Lender's obligations **English language. Performance** under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender **if reasonably possible during any arbitration proceedings. Except as required by law or as may be reasonably required** in connection with such Lender's rights ancillary judicial proceedings to compel arbitration, to obtain temporary or preliminary judicial relief **aid of arbitration, or to confirm or challenge an arbitration award, the arbitration proceedings, including any hearings, shall be confidential,** and obligations under this Agreement. **the parties shall not disclose any awards, any materials produced in the proceedings created for the purpose of the arbitration, or any documents produced by another party in the proceedings not otherwise in the public domain.**

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided, that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso of Section 9.01 that affects such Participant. Subject to clause (e) of this Section, each Borrower agrees that each Participant shall be entitled to the benefits and obligations of Sections 3.09, 3.11, and 3.12 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 9.06. Each Lender that sells a participation agrees, at the Borrowers' request and expense, to use reasonable efforts to cooperate with the Borrowers to effectuate the provisions of Section 3.13(b) **Except with respect to any Participant. Each Lender dispute regarding an Indemnatee's entitlement to indemnification or advancement of expenses or related claims** that sells a participation shall, acting solely for this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest **may be settled** in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any

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Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(e)Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Sections 3.09, 3.11 and 3.12 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant.

(f)Certain Pledges. Any Lender, without the consent of any Borrower or the Administrative Agent may at any time grant security interest in all or any portion of its rights under this Agreement or any Note to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided, that no such pledge or assignment shall release such Lender from any of its obligations hereunder.

(g)Resignation as Issuing Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time MHC B assigns all of its Commitment and Loans arbitration pursuant to Section 9.06(b) 15(a), MHC B may, upon 30 days' notice each party hereby (i) irrevocably agrees that any claims, suits, actions or proceedings arising out of or relating in any way to KCMH and the Lenders, resign as Issuing Lender. In the event this Agreement (including any claims, suits or actions to interpret, apply or enforce this Section 15 or any judicial proceeding ancillary to an arbitration or contemplated arbitration arising out of any such resignation as Issuing Lender, KCMH or relating to or concerning this Agreement), shall be entitled to appoint, from among exclusively brought in the Lenders, a successor Issuing Lender hereunder; provided, however, that no failure by KCMH to appoint any such successor shall affect the resignation Court of MHC B as Issuing Lender. If MHC B resigns as Issuing Lender, it shall retain all the rights, powers, privileges and duties Chancery of the Issuing Lender hereunder State of Delaware or, if such court does not have subject matter jurisdiction thereof, any other court in the State of Delaware with respect subject matter jurisdiction; (ii) irrevocably submits to all Letters of Credit outstanding as of the effective date of its resignation as Issuing Lender and all L/C Exposure with respect thereto. Upon the appointment of a successor Issuing Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Lender, and (b) the successor Issuing Lender shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time exclusive jurisdiction of such succession or make other arrangements satisfactory to MHC B to effectively assume the obligations of MHC B with respect to such Letters of Credit.

#### SECTION 9.07. GOVERNING LAW; JURISDICTION; ETC.

(A)GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(B)SUBMISSION TO JURISDICTION. EACH BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN

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DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH BORROWER IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH BORROWER AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(C)WAIVER OF VENUE. EACH BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN CLAUSE (B) ABOVE. EACH BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(D)SERVICE OF PROCESS. EACH BORROWER AGREES THAT SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, AT ITS ADDRESS SET FORTH IN SECTION 9.02, OR AT SUCH OTHER ADDRESS OF WHICH THE ADMINISTRATIVE AGENT SHALL HAVE BEEN NOTIFIED IN WRITING BY **KCMH**.

SECTION 9.08. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

#### SECTION 9.09. Counterparts; Effectiveness; Execution.

(a)Counterparts; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed

counterpart of a signature page of this Agreement by telecopy or electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Loan Documents or any Assignments. The words "execution," "signed," "signature," and words of like import in this Agreement or any other Loan Documents or any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 9.10. Survival. The provisions of Sections 3.09, 3.11 and 3.12 and Article VIII and Section 9.04 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans and the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.11. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 9.12. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and will be subject to customary confidentiality obligations of professional practice or will agree (which agreement may be oral or pursuant to company policy) to be bound by the terms of this Section 9.12 (or language substantially similar to this Section 9.12)), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any Self Regulatory Organization), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies under this Agreement or any other Loan Document or any action or proceeding relating to the Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same

as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any Borrower and its obligations, (g) with the consent of KCMH or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a non-confidential basis from a source other than KCMH or its Subsidiary.

For purposes of this Section, "Information" means all information received from KCMH or any of its Subsidiaries relating to KCMH or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by KCMH or any of its Subsidiaries. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 9.13. No Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby, each Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) the credit facility provided for hereunder and any related arranging or other services in connection therewith (including courts in connection with any amendment, waiver such claim, suit, action or other modification hereof proceeding; (iii)

irrevocably agrees not to, and waives any right to, assert in any such claim, suit, action or of any other Loan Document) are an arm's length commercial transaction between the Borrowers and their Affiliates, on the one hand, and the Administrative Agent and the Lead Arranger, on the other hand, and each Borrower is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification thereof); (b) in connection with the process leading to such transaction, the Administrative Agent and the Lead Arranger, each is and has been acting solely as a principal and proceeding that (A) it is not personally subject to the financial advisor, agent or fiduciary, for any Borrower or any jurisdiction of its Affiliates, equity holders, creditors or employees such courts or any other Person; (c) neither court to which proceedings in such courts may be appealed, (B) such claim, suit, action or proceeding is brought in an inconvenient forum, or (C) the Administrative Agent nor venue of such claim, suit, action or proceeding is improper; (iv) expressly waives any requirement for the Lead Arranger has assumed posting of a bond by a party bringing such claim, suit, action or will assume an advisory, agency proceeding; (v) consents to process being served in any such claim, suit, action or fiduciary responsibility proceeding by mailing, certified mail, return receipt requested, a copy thereof to such party at the address in favor effect for notices hereunder, and agrees that such service shall constitute good and sufficient service of process and notice thereof; provided, that, nothing in clause (v) hereof shall affect or limit any Borrower with respect right to any of the transactions contemplated hereby or the serve process leading thereto, including with respect to

any amendment waiver or other modification hereof or of in any other Loan Document (irrespective of whether the Administrative Agent manner permitted by law; and (vi) irrevocably waives any and all right to trial by jury in any such claim, suit, action or the Lead Arranger has advised or is currently advising any Borrower or any of its Affiliates on other matters) and neither the Administrative Agent nor the Lead Arranger has any obligation to any Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; (d) the Administrative Agent and the Lead Arranger and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their Affiliates, and neither the Administrative Agent nor the Lead Arranger has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (e) the Administrative Agent and the Lead Arranger have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and the Borrowers have consulted their own legal, accounting, regulator and tax advisors to the extent it has deemed appropriate. Each Borrower proceeding.

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hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent and the Lead Arranger with respect to any breach or alleged breach of agency or fiduciary duty.

SECTION 9.14. (c) Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.15. USA PATRIOT Act. Each Lender hereby notifies each Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies such Borrower, which information includes the name and address of the Borrowers and other information that will allow such Lender to identify such Borrower in accordance with the Patriot Act.

SECTION 9.16. Judgment Currency. This is an international loan transaction in which the specification of Dollars or an Alternate Currency, as the case may be (the "Specified Currency"), and Notwithstanding any payment in New York City or the country of the Specified Currency, as the case may be (the "Specified Place"), is of the essence, and the Specified Currency shall be the currency of account in all events relating to amounts denominated in such Specified Currency. The payment obligations of the Borrowers under this Agreement and the other Loan Documents shall not be discharged by an amount paid in another currency or in another place, whether pursuant to a judgment or otherwise, to the extent that the amount so paid on conversion to the Specified Currency and transfer to the Specified Place under normal banking procedures does not yield the amount of the Specified Currency at the Specified Place due hereunder. If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Specified Currency into another currency (the "Second Currency"), the rate of exchange which shall be applied shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the Specified Currency with the Second Currency on the Business Day next preceding that on which such judgment is rendered. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or any Lender hereunder shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be due hereunder or under the Notes in the Second Currency to the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase and transfer to the Specified Place the Specified Currency with the amount of the Second Currency so adjudged to be due; and the Borrowers hereby, as a separate obligation and notwithstanding any such judgment, jointly and severally agree to indemnify the Administrative Agent or such Lender, as the case may be, against, and to pay the Administrative Agent or such Lender, as the case may be, on demand in the Specified Currency, any difference between the sum originally due to the Administrative Agent or such Lender, as the case may be, in the Specified Currency and the amount of the Specified Currency so purchased and transferred.

SECTION 9.17. European Monetary Union. ii) Definitions. In this Section 9.17 and in each other provision of this Agreement to which reference is made the contrary, this Section 15 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the "Delaware Arbitration Act"). If, nevertheless, it shall be determined by an arbitral tribunal or court of competent jurisdiction that any provision or wording of this Section 15, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 15. In that case, this Section 15 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 15 shall be construed to omit such invalid or unenforceable provision.

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9.17 (whether expressly or impliedly), No Construction as Employment Agreement. Nothing contained herein shall be construed as giving the following terms have the following respective meanings:

"EMU" shall mean economic and monetary union Indemnities any right to be retained as contemplated in the Treaty on European Union.

"EMU Legislation" shall mean legislative measures a director of the European Council for the introduction of, changeover to or operation of a single or unified European currency, being in part the implementation of the third stage of EMU.

"Euro" shall mean the single currency of Participating Member States of the European Union, which shall be a Currency under this Agreement.

"Euro Unit" shall mean a currency unit of the Euro.

"National Currency Unit" shall mean a unit of any Currency (other than a Euro Unit) of a Participating Member State.

"Participating Member State" shall mean each state so described in any EMU Legislation.

"Target Operating Day" shall mean any day that is not (a) a Saturday or Sunday, (b) Christmas Day or New Year's Day or (c) any other day on which the Trans-European Real-time Gross Settlement Express Transfer system (or any successor settlement system) is not operating (as determined by the Administrative Agent).

"Treaty on European Union" shall mean the Treaty of Rome of March 25, 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed at Maastricht on February 7, 1992, and came into force on November 1, 1993), as amended from time to time.

(a)Alternative Currencies. If and to the extent that any EMU Legislation provides that an amount denominated either in the Euro Corporation or in the National Currency Unit of a Participating Member State and payable within the Participating Member State by crediting an account employ of the creditor can Corporation or its affiliates. For the avoidance of doubt, the indemnification and advancement of expenses provided under this Agreement shall continue as to the Indemnitee even though he or she may have ceased to be paid by a director, officer, employee or agent of the debtor either in the Euro Unit Corporation.

**Section 17. Governing Law.** This Agreement and any and all matters arising out of or in that National Currency Unit, any party relating to this Agreement shall be entitled to pay such amount either in the Euro Unit or in such National Currency Unit.

(b)Payments by the Administrative Agent Generally. With respect to the payment of any amount denominated in the Euro or in a National Currency Unit, the Administrative Agent shall not be liable to any Borrower or any of the Lenders in any way whatsoever for any delay, or the consequences of any delay, in the crediting to any account of any amount required by this Agreement to be paid by the Administrative Agent if the Administrative Agent shall have taken all relevant steps to achieve, on the date required by this Agreement, the payment of such amount in immediately available, freely transferable, cleared funds (in the Euro Unit or, as the case may be, in a National Currency Unit) to the account of any Borrower or any Lender, as the case may be, in the Principal Financial Center in the Participating Member State which the Borrower or, as the case may be, such Lender shall have specified for

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such purpose. In this paragraph (c), "all relevant steps" shall mean all such steps as may be prescribed from time to time by the regulations or operating procedures of such clearing or settlement system as the Administrative Agent may from time to time reasonably determine for the purpose of clearing or settling payments of the Euro.

(c)[Reserved].

(d)Rounding. Without prejudice and in addition to any method of conversion or rounding prescribed by the EMU Legislation, each reference in this Agreement to a minimum amount (or a multiple thereof) in a National Currency Unit to be paid to or by the Administrative Agent shall be replaced by a reference to such reasonably comparable and convenient amount (or a multiple thereof) in the Euro Unit as the Administrative Agent may from time to time specify.

(e)Other Consequential Changes. Without prejudice to the respective liabilities of the Borrowers to the Lenders and the Lenders to the Borrowers under or pursuant to this Agreement, except as expressly provided in this Section 9.17, each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be necessary or appropriate to reflect the introduction of or changeover to the Euro in Participating Member States.

**SECTION 9.18. Acknowledgement and Consent to Bail-In of Affected Financial Institutions.** Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
  - (i) a reduction in full or in part or cancellation of any such liability;
  - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
  - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

**SECTION 9.19. Existing Letters of Credit and Existing Loans.** The parties to this Agreement agree that, on the Closing Date, the terms and provisions of the Existing

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Credit Agreement shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement. This Agreement is not intended to and shall not constitute a novation. Existing Loans, Existing Letters of Credit and Obligations incurred under the Existing Credit Agreement which are outstanding on the Closing Date shall continue as Loans, Letters of Credit and Obligations under (and shall be governed by the terms of) this Agreement and the other Loan Documents. Without limiting the foregoing, upon the effectiveness of the amendment and restatement contemplated hereby on the Closing Date, all references in the "Loan Documents" (as defined in the Existing Credit Agreement) to the "Administrative Agent", the "Credit Agreement" and the "Loan Documents" shall be deemed to refer to the Administrative Agent, this Agreement and the Loan Documents.

[Signature Pages Follow]

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CERTAIN INFORMATION, IDENTIFIED BY, AND REPLACED WITH, A MARK OF "[\*]" HAS BEEN EXCLUDED FROM THIS DOCUMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Execution Version

# FIRST AMENDMENT

THIS FIRST AMENDMENT (this "Amendment") is made as of November 4, 2022 by and among KKR Capital Markets Holdings L.P., a Delaware limited partnership ("KCMH"), KKR Corporate Lending LLC, a Delaware limited liability company ("KCL U.S."), KKR Corporate Lending (CA) LLC, a Delaware limited liability company ("KCL C.A."), KKR Corporate Lending (TN) LLC, a Delaware limited liability company ("KCL T.N."), and KKR Corporate Lending (UK) LLC, a Delaware limited liability company ("KCL U.K."; and together with KCMH, KCL U.S., KCL C.A. and KCL U.K., collectively, the "Borrowers" and individually each a "Borrower"), each of the Guarantors party to the Guarantee and Security Agreement described in the Existing Credit Agreement (as defined below), the Lender party to the Existing Credit Agreement, and Mizuho Bank, Ltd., as administrative agent (in such capacity, the "Administrative Agent"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Existing Credit Agreement as modified by this Amendment.

## WITNESSETH:

WHEREAS, the Borrowers, the Lender and the Administrative Agent are parties to that certain 364-Day Revolving Credit Agreement dated April 8, 2022 (the "Existing Credit Agreement"), and as amended pursuant to this Amendment hereinafter referred to as the "Credit Agreement";

WHEREAS, pursuant to an internal reorganization involving KCMH, KKR Capital Markets Asia Limited, a Hong Kong company limited by shares, will cease to be a wholly-owned subsidiary of KCMH, and it will be substituted with KKR Capital Markets Asia II Limited, a Hong Kong company limited by shares, as a new wholly-owned subsidiary of KCMH;

WHEREAS, the Borrowers have requested that the Lender party hereto agree to amend the Existing Credit Agreement in certain respects as hereinafter set forth;

WHEREAS, Section 9.01(a) of the Existing Credit Agreement provides that the Existing Credit Agreement may be amended by the Borrowers and the Majority Lenders;

WHEREAS, the Lender party hereto and listed on its signature page hereof has agreed to such amendments on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

I. Amendments to the Existing Credit Agreement. Effective as of the Amendment Effective Date (as defined below) the Existing Credit Agreement is hereby amended to: (i) delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Existing Credit Agreement attached as Annex A hereto (the "Amended Credit Agreement") and (ii) amend and restate Schedule II to the Existing Credit Agreement in its entirety in the form attached as Annex B hereto.

II. Conditions of Effectiveness. This Amendment shall become effective on the date that each of the following conditions is met or waived (the "Amendment Effective Date"):

(a) Execution of Counterparts. The Administrative Agent shall have received counterparts of this Amendment executed by each Borrower, each Guarantor, the Lender and the Administrative Agent.

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(b) Representations and Warranties. As of the Amendment Effective Date, immediately before and after giving effect to this Amendment, the representations and warranties of each Borrower set forth in the Loan Documents shall be true and correct in all material respects on and as of the Amendment Effective Date with the same effect as though made on and as of the Amendment Effective Date; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; provided further that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects on and as of the Amendment Effective Date or on such earlier date, as the case may be.

(c) No Default or Event of Default. As of the Amendment Effective Date, immediately before and after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing.

(d) Resolutions. The Administrative Agent shall have received resolutions or other authorizing documentation of KCMH and its General Partner evidencing the taking of all necessary action authorizing and approving the execution, delivery and performance by KCMH of this Amendment and any other documents to be delivered hereunder by KCMH.

(e) Opinion. The legal opinion of Simpson Thacher & Bartlett LLP, counsel to the KCMH, in a form reasonably acceptable to the Administrative Agent regarding the Pledged Securities of KKR Capital Markets Asia II Limited.



(f) Amendment to Guarantee and Security Agreement. The Administrative Agent shall have received the First Amendment to the Guarantee and Security Agreement, duly executed and delivered by the Obligors and the Administrative Agent (with the consent of the Lenders as specified in Section 9.01 of the Credit Agreement) concurrently with the Amendment Effective Date.

(g) Fees and Expenses. KCMH shall have paid all fees and expenses (including fees, charges and disbursements of counsel invoiced prior to the Amendment Effective Date) required to be paid on or prior to the Amendment Effective Date to the Administrative Agent in connection with this Amendment.

III. Post-Closing Condition. Notwithstanding anything to the contrary in any Loan Document, and subject to the Intercreditor Agreement, KCMH will, within 60 days after the Amendment Effective Date (or such later date as the Administrative Agent shall reasonably agree) deliver to the Administrative Agent (or its designee) a stock certificate and related stock power representing 65% of the issued and outstanding voting shares of KKR Capital Markets Asia II Limited, a Hong Kong company limited by shares.

IV. Representations and Warranties

(a) To induce the other parties hereto to enter into this Amendment, the Borrowers represent and warrant to the Lender and the Administrative Agent, as of the Amendment Effective Date and after giving effect to the transactions and amendments to occur on the Amendment Effective Date, this Amendment has been duly authorized, executed and delivered by each of the Borrowers and constitutes, and the Existing Credit Agreement, as amended hereby on the Amendment Effective Date, will constitute, its legal, valid and binding obligation, enforceable against the Borrowers and in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

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(b) Immediately before and after giving effect to this Amendment, the representations and warranties of each Borrower set forth in the Loan Documents shall be true and correct in all material respects on and as of the Amendment Effective Date with the same effect as though made on and as of such date, except to the extent (i) such representations and warranties expressly relate to an earlier date (in which case such representations and warranties were true and correct in all material respects as of such earlier date) or (ii) such representations and warranties are qualified as to "materiality," "Material Adverse Effect" or similar language (in which case such representation and warranties are true and correct in all respects as of the Amendment Effective Date or as of such earlier date, as the case may be).

(c) Immediately before and after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing on the Amendment Effective Date.

V. Effect of Amendment.

(a) Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of, the Lender or the Administrative Agent under the Existing Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. In addition, and in furtherance of the foregoing, the Guarantors expressly acknowledge and agree to the terms of this Amendment, and the terms of the Guarantee and Security Agreement continue to apply with full force and effect to any amounts outstanding under or in connection with the Commitment as well as other amounts incurred pursuant to the terms of the Existing Credit Agreement (except as expressly amended in accordance with its terms). Nothing herein shall be deemed to establish a precedent for purposes of interpreting the provisions of the Credit Agreement or entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances. This Amendment shall apply to and be effective only with respect to the provisions of the Existing Credit Agreement specifically referred to herein.

(b) On and after the Amendment Effective Date, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import, and each reference to the Credit Agreement, "thereunder", "thereof", "therein" or words of like import in any other Loan Document, shall be deemed a reference to the Existing Credit Agreement as amended hereby. This Amendment shall constitute a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

VI. Governing Law. This Amendment and the rights and obligations of the parties hereto shall be governed by and construed and interpreted in accordance with the laws of the State of New York. The provisions Delaware, without regard to conflict of Sections 9.07 and 9.11 of the Existing Credit Agreement shall apply to this Amendment to the same extent as if fully set forth herein. law principles.

VII. Section 18. Counterparts and Electronic Signatures. This Amendment Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of any executed counterpart of a signature page of this Amendment by facsimile transmission two or other electronic means shall be effective as delivery of a manually executed counterpart hereof. The words "delivery", "execute", "execution", "signed", "signature," and words of like import in this Amendment and any document executed in connection herewith shall be deemed to include electronic signatures or the keeping of records in electronic form, more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based

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recordkeeping system, as the case may be, instrument, notwithstanding that both parties are not signatories to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, original or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary neither the Administrative Agent nor any Lender is under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent or such Lender pursuant to procedures approved by it and provided further without limiting the foregoing, upon the request of any party, any electronic signature shall be promptly followed by such manually executed same counterpart.

VIII. **Section 19. Headings.** The section and subsection headings of contained in this Amendment Agreement are for reference purposes of reference only and shall not limit or otherwise affect in any way the meaning hereof.

IX. **Successors and Assigns.** The consent of any Lender to this Amendment shall be binding upon such Lender's successors, assigns and participants permitted by the Existing Credit Agreement. Further, the provisions or interpretation of this Amendment shall be binding and inure to the benefit of, such Lender's successors, assigns and participants permitted by the Existing Credit Agreement.

[Signature pages follow]

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IN WITNESS WHEREOF, the parties thereto have caused this Amendment to be duly executed and delivered by their officers as of the date first above written.

KKR CAPITAL MARKETS HOLDINGS L.P.,  
as a Borrower

By: KKR CAPITAL MARKETS HOLDINGS  
GP LLC, its general partner

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING LLC,  
as a Borrower

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING (CA) LLC,  
as a Borrower

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING (TN) LLC,  
as a Borrower

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING (UK) LLC,  
as a Borrower

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

[Signature Page to Sixth Amendment]

MIZUHO BANK, LTD.,  
as Administrative Agent and as a Lender

By: /s/ Donna DeMagistris

Name: Donna DeMagistris

Title: Executive Director

[Signature Page to Sixth Amendment]



**Annex A**  
**Amended Credit Agreement**  
[See attached]

**Execution Version**

AS AMENDED BY THE FIRST AMENDMENT, DATED AS OF NOVEMBER 4, 2022

**\$750,000,000**  
**364-DAY REVOLVING CREDIT AGREEMENT**  
Dated as of April 8, 2022  
Among  
**KKR CAPITAL MARKETS HOLDINGS L.P.,**  
**KKR CORPORATE LENDING LLC,**  
**KKR CORPORATE LENDING (CA) LLC,**  
**KKR CORPORATE LENDING (TN) LLC**  
*and*  
**KKR CORPORATE LENDING (UK) LLC**  
*as Borrowers,*  
**THE LENDERS PARTY HERETO**  
*and*  
**MIZUHO BANK, LTD.,**  
*as Administrative Agent*  
**MIZUHO BANK, LTD.,**  
*as Sole Lead Arranger and Sole Bookrunner*

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| Exhibit F   | Form of Additional Borrower Joinder Agreement                                                                  |

**364-DAY REVOLVING CREDIT AGREEMENT** dated as of April 8, 2022 (as further amended or otherwise modified from time to time, this "Agreement") among KKR CAPITAL MARKETS HOLDINGS L.P., a Delaware limited partnership ("KCMH"), KKR CORPORATE LENDING LLC, a Delaware limited liability company ("KCL U.S."), KKR CORPORATE LENDING (CA) LLC, a Delaware limited liability company ("KCL C.A."), KKR CORPORATE LENDING (TN) LLC, a Delaware limited liability company ("KCL T.N.") and KKR CORPORATE LENDING (UK) LLC, a Delaware limited liability company ("KCL U.K."; KCMH, KCL U.S., KCL C.A., KCL T.N. and KCL U.K. and any Additional Borrower are collectively referred to herein as the "Borrowers" and individually sometimes as a "Borrower"), each of the Lenders (as defined below), and MIZUHO BANK, LTD., as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

WHEREAS, the parties hereto hereby agree, as follows:

## ARTICLE I

### DEFINITIONS

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms shall have the following respective meanings:

"ABR" means a fluctuating interest rate per annum which shall at any time be the higher of:

- (a) 1/2 of 1.00% per annum above the Federal Funds Rate; and
- (b) Term SOFR for a one-month tenor in effect on such day plus 1.00%.

Any change in the ABR due to a change in the Federal Funds Rate or Term SOFR shall be effective from and including the effective date of such change in the Federal Funds Rate or Term SOFR, respectively.

"ABR Loan" means, at any time, a Loan which bears interest at rates based upon the ABR.

"ABR Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"Additional Borrower" shall mean any Person who shall from time to time after the Closing Date become a party hereto as a "Borrower" hereunder upon the satisfaction of the conditions set forth in Section 6.01(i)(ii).

"Additional Borrower Joinder Agreement" shall mean the joinder agreement substantially in the form of Exhibit F.

"Administrative Agent" has the meaning specified in the introduction hereto.

"Administrative Agent's Account" means, with respect to any Currency, the account of the Administrative Agent for such Currency most recently designated by it as such by notice to KCMH and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, with respect to a specified Person, another Person that directly or indirectly Controls or is Controlled by or is under common Control with such specified Person.

"Aggregate Borrowing Availability" means, at any time, the Aggregate Facility Amount at such time minus the Total Credit Exposure at such time.

"Aggregate Facility Amount" means, at any time, the aggregate amount of the Commitments then in effect. The initial Aggregate Facility Amount is \$750,000,000.

"Allocable Amount" has the meaning specified in Section 2.06(b).

"Alternate Currency" means the Euro, Sterling and any other currency acceptable to the Lenders that is freely convertible into Dollars and available to be borrowed in the interbank market in London or the Principal Financial Center for such currency, so long as no central bank or other governmental authorization in the country of issue of such currency (including, in the case of the Euro, any authorization by the European Central Bank) is required to permit the use of such currency by any Lender for making any Loan hereunder and/or permit a Borrower to borrow and repay the principal thereof and to pay the interest thereon, unless such authorization has been obtained and is in full force and effect.

"Alternate Currency Equivalent" means, on any date, with respect to any amount denominated in a given currency, the amount of Alternate Currency that would be required to purchase such amount of such given currency at or about 11:00 a.m., Local Time, on such date, for delivery two Business Days later, as determined by the Administrative Agent on the basis of the spot selling rate for the offering of such given currency for Alternate Currency in the Principal Financial Center for the applicable given currency, all determinations thereof by the Administrative Agent to be conclusive and binding on the parties in the absence of manifest error.

"Applicable Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Lending Office" in the Administrative Questionnaire of such Lender or in the Assignment and Assumption pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to KCMH and the Administrative Agent. It is understood and agreed that unless otherwise

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hereafter notified, the Applicable Lending Office for MHCBS and its Affiliates shall be its New York branch.

"Applicable Margin" has the meaning specified in Annex A.

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 9.06(b)) and accepted by the Administrative Agent, substantially in the form of Exhibit D or any other form approved by the Administrative Agent.

"Available Tenor" means, as of any date of determination and with respect to the relevant then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 3.04(c).

"Availability Period" means the period from the Closing Date until the earlier of (a) the Commitment Termination Date and (b) the date of termination of the Commitments.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Benchmark" means, initially, with respect to any Term Benchmark Loan or RFR Loan in any Specified Currency, the applicable Relevant Rate for such Specified Currency; provided that if a Benchmark Transition Event has occurred with respect to a then-current Benchmark, then "Benchmark" means the applicable Benchmark

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Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.04(c).

"Benchmark Replacement" means with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

- (1) in the case of any Loan denominated in Dollars, the applicable Daily Simple RFR;
- (2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor, if applicable, giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for syndicated credit facilities denominated in the applicable Specified Currency at such time and (b) the related Benchmark Replacement Adjustment; provided that, in the case of the immediately preceding clause (b), such adjustment shall not be in the form of an increase of the Applicable Margin.

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor, if applicable, giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in Dollars or the applicable Alternate Currency, as applicable; provided that such adjustment shall not be in the form of an increase of the Applicable Margin.

"Benchmark Replacement Conforming Changes" means, with respect to the use, administration or implementation of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period," timing and frequency of determining rates and making

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payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of "Benchmark Replacement", the formula, methodology or convention for applying the successor floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Administrative Agent decides (in consultation with the Borrower) may be appropriate to reflect the adoption and implementation of any such rate and to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice applicable to such rate (or, if the Administrative Agent decides (in consultation with the Borrower) that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Borrower) is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

**"Benchmark Replacement Date"** means, with respect to a then-current Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

- (1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or
- (2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to a Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the relevant Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the relevant "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) or with respect to any relevant Benchmark upon the occurrence of the applicable event or events set forth therein solely to the extent such event applies with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

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**"Benchmark Transition Event"** means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (3) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" (a) will be deemed to have occurred with respect to any Benchmark solely to the extent that a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

**"Benchmark Unavailability Period"**, with respect to each applicable then-current Benchmark, means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.04(c) and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.04(c).

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**"Borrowers"** and **"Borrower"** have the respective meanings specified in the heading hereof.

**"Borrowing"** means a borrowing consisting of simultaneous Loans of the same Type made by the Lenders to a Borrower pursuant to Section 2.01.

**"Broker-Dealer Subsidiary"** means each of (i) KCM U.K., (ii) KCM U.S., ~~KCM Asia~~, (iii) ~~(x) prior to the KCM Asia Reorganization Effective Date, KCM Asia and (y) after the KCM Asia Reorganization Effective Date, KCM Asia II~~, (iv) KCM Japan,

(v) KCM Ireland and (vi) any other direct or indirect broker-dealer Subsidiary of KCMH.

**"Business Day"** means (a) a day on which commercial banks are not authorized by law or required to close in New York City, (b) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a Term Benchmark Loan denominated in an Alternate Currency (other than Euros or Sterling), or a notice with respect thereto, that is also a day on which commercial banks and foreign exchange markets settle payments in the Principal Financial Center for such currency, (c) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for, a Term Benchmark Loan denominated in Euros, or a notice with respect thereto, that is also a Target Operating Day (as defined in Section 9.17), (d) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on, any SONIA Rate Loan, or a notice with respect thereto, a London Banking Day, (e) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a RFR Loan, or a notice with respect thereto, that is also a RFR Business Day and (f) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a Term Benchmark Loan, or a notice with respect thereto, that is also a U.S. Government Securities Business Day.

**"Cash Equivalents"** means:

- (a) securities issued or unconditionally guaranteed by the United States government or any agency or instrumentality thereof, in each case having maturities of not more than 12 months from the date of acquisition thereof;
- (b) securities issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof or any political subdivision of any such state or any public instrumentality thereof having maturities of not more than 12 months from the date of acquisition thereof and, at the time of acquisition, having an investment grade rating generally obtainable from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, then from another nationally recognized rating service);
- (c) commercial paper issued by any Lender or any bank holding company owning any Lender;
- (d) commercial paper maturing no more than 12 months after the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 or P-1 from

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either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

- (e) certificates of deposit or bankers' acceptances, having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service), maturing no more than one year after the date of acquisition thereof issued by any Lender or any other bank having combined capital and surplus of not less than \$200,000,000 in the case of domestic banks and \$100,000,000 (or the Dollar Equivalent thereof) in the case of foreign banks;
- (f) repurchase agreements with a term of not more than 90 days for underlying securities of the type described in clauses (a), (b) and (e) above entered into with any bank meeting the qualifications specified in clause (e) above or securities dealers of recognized national standing;
- (g) marketable short-term money market and similar funds having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);
- (h) shares of investment companies that are registered under the Investment Company Act of 1940 and substantially all the investments of which are one or more of the types of securities described in clauses (a) through (g) above; and
- (i) in the case of any non-U.S. organized Subsidiary or investment made in a country outside the United States, other customarily utilized high-quality investment in the country where such non-U.S. organized Subsidiary is located or in which such investment is made and of a type analogous to the foregoing.

**"CBR Loan"** means a Loan that bears interest at a rate determined by reference to the Central Bank Rate.

**"CBR Spread"** means the Applicable Margin, applicable to such Loan that is replaced by a CBR Loan.

**"Central Bank Rate"** means, (A) the greater of (i) for any Loan denominated in (a) Sterling, the Bank of England (or any successor thereto)'s "Bank Rate" as published by the Bank of England (or any successor thereto) from time to time, (b) Euro, one of the following three rates as may be selected by the Administrative Agent in its reasonable discretion: (1) the fixed rate for the main refinancing operations of the European Central Bank (or any successor thereto), or, if that rate is not published, the minimum bid rate for the main refinancing operations of the European Central Bank (or any successor thereto), each as published by the European Central Bank (or any successor thereto) from time to time, (2) the rate for the marginal lending facility of the European Central Bank (or any successor thereto), as published by the European Central Bank (or any successor thereto) from time to time or (3) the rate for the deposit facility of the central banking system of the Participating Member States, as published by the European Central Bank (or any

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successor thereto) from time to time **This Agreement has been duly executed** and (e) any other Alternate Currency determined after the Closing Date, a central bank rate as determined by the Administrative Agent in its reasonable discretion and (ii) the Floor; plus (B) the applicable Central Bank Rate Adjustment.

**"Central Bank Rate Adjustment"** means, for any day, for any Loan denominated in (a) Euro, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the EURIBOR Rate for the five most recent Business Days preceding such day for which the EURIBOR Screen Rate was available (excluding, from such averaging, the highest and the lowest EURIBOR Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Euro in effect on the last Business Day in such period, (b) Sterling, a rate equal to the difference (which may be a positive or



negative value or zero) of (i) the average of Daily Simple RFR for Sterling Borrowings for the five most recent RFR Business Days preceding such day for which SONIA was available (excluding, from such averaging, the highest and the lowest such Daily Simple RFR applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Sterling in effect on the last RFR Business Day in such period and (c) any other Alternate Currency determined after the Closing Date, a Central Bank Rate Adjustment as determined by the Administrative Agent in its reasonable discretion. For purposes of this definition, (x) the term Central Bank Rate shall be determined disregarding clause (B) of the definition of such term and (y) the EURIBOR Rate on any day shall be based on the EURIBOR Screen Rate on such day at approximately the time referred to in the definition of such term for deposits in the applicable Specified Currency for a maturity of one month.

“Change in Law” means the occurrence, after the date of this Agreement, of the adoption of any law, rule, regulation or treaty, or of any change in applicable law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority having jurisdiction or the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, as amended (including as such law forms a part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended, including without limitation, by the European Union (Withdrawal Agreement) Act 2020)), shall in each case be deemed delivered to be a “Change in Law”, regardless of the date enacted, adopted or issued; provided further, that any increased costs associated with a Change in Law based on the foregoing clauses (a) and/or (b) may only be imposed to the extent the relevant Lender or Issuing Lender, as applicable, imposes the same charges generally on other similarly situated borrowers under comparable credit facilities.

“Change of Control” means, and shall be deemed to have occurred if, (a) KKR and/or its Affiliates shall at any time not own, directly or indirectly, beneficially and of

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record, (i) more than 50% of the voting power of the outstanding Voting Shares of KCMH and (ii) at least 25% of the outstanding Equity Interests of KCMH; (b) KCMH shall at any time not own, directly or indirectly, beneficially and of record, more than 50% of the voting power of the outstanding Voting Shares of KCM U.S., KCM U.K. or KCM Asia LLC; or (c) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of KCMH cease to be composed of individuals who are employees, partners, members, directors or officers of KKR or its Affiliates.

“Closing Date” means April 8, 2022.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Collateral” has the meaning specified in the Guarantee and Security Agreement.

“Commitment” means, as to each Lender, the commitment of such Lender to make Loans to the Borrowers under Section 2.01(a)(i) and purchase participations in L/C Exposure in an aggregate amount at any one time outstanding up to the amount set forth opposite such Lender’s name on Schedule I or, if such Lender has entered into an Assignment and Assumption, set forth for such Lender in the Register, as such amount may be reduced pursuant to Section 2.04(b).

“Commitment Percentage” means, with respect to any Lender, at any time, the percentage of the Aggregate Facility Amount represented by such Lender’s Commitment; provided, that if the Commitments have terminated or expired, the Commitment Percentages shall equal the percentage of aggregate outstanding Loans and L/C Exposure held by such Lender and if there is no outstanding Loans and L/C Exposure, the Commitment Percentage shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

“Commitment Termination Date” means the date 364 days after the Closing Date, provided that if such date is not a Business Day, the Commitment Termination Date shall be the immediately preceding Business Day.

“Continuation”, “Continue” and “Continued” refer to a continuation of Term Benchmark Loans from one Interest Period to the next Interest Period pursuant to Section 3.05(b).

“Control” of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise, and

“Controlling” and “Controlled” have meanings correlative thereto.

“Convert”, “Conversion” and “Converted” refer to a conversion of Loans of one Type into Loans of the other Type pursuant to Section 3.04 or Section 3.05, except that no Conversion may be made into Daily Simple RFR Loans denominated in Dollars until

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after the occurrence of a Benchmark Replacement pursuant to clause (1) of the definition thereof in accordance with Section 3.04(c).

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Cure Right” has the meaning specified in Section 7.02.

“Currencies” means, collectively, Dollars and the Alternate Currencies.

“Daily Simple RFR” means, for any day (an “RFR Interest Day”), a rate per annum equal to, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to:

(a) Dollars, the greater of (i) SOFR for the day (such day, a “Dollar RFR Determination Day”) that is five RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website; provided that if by 5:00 p.m. (New York City



time) on the second (2nd) RFR Business Day immediately following any Dollar RFR Determination Day, SOFR in respect of such Dollar RFR Determination Day has not been published on the SOFR Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple RFR for Dollars has not occurred, then SOFR for such Dollar RFR Determination Day will be SOFR as published in respect of the first preceding RFR Business Day for which such SOFR was published on the SOFR Administrator's Website; provided further that SOFR as determined pursuant to this proviso shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Interest Days, and (ii) the Floor; and

(b) Sterling, the greater of (i) SONIA for the day (such day, a "Sterling RFR Determination Day," ) that is five RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, in each case, as such SONIA is published by the SONIA Administrator on the SONIA Administrator's Website; provided that if by 5:00 p.m. (London time) on the second (2nd) RFR Business Day immediately following any Sterling RFR Determination Day, SONIA in respect of such Sterling RFR Determination Day has not been published on the SONIA Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple RFR for Sterling has not occurred, then SONIA for such Sterling RFR Determination Day will be SONIA as published in respect of the first preceding RFR Business Day for which such SONIA was published on the SONIA Administrator's Website; provided further that SONIA as determined pursuant to this proviso shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Interest Days and (ii) the Floor.

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"Debt to Equity Ratio" means, as of any date of determination, the ratio of Total Debt to Total Equity.

"Default" means any event or condition that constitutes an Event of Default or that, with notice or lapse of time or both, would become an Event of Default.

"Defaulting Lender" means, subject to Section 3.14(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the requesting Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the Issuing Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within two Business Days of the date when due, (b) has notified KCMH, the Administrative Agent or the Issuing Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or KCMH, to confirm in writing to the Administrative Agent and KCMH that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and KCMH), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any bankruptcy, insolvency, reorganization or similar law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 3.14(b)) upon delivery of written notice of such determination to KCMH, the Issuing Lender and each Lender.

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"Designated Entity" means at any time, any corporation, partnership, limited liability company or other entity formed or acquired after the Closing Date that is not a Borrower and of which at least a majority but less than 100% of the Voting Shares are at the time directly or indirectly owned or controlled by KCMH or one or more Subsidiaries of KCMH, which has been designated in a written notice from KCMH to the Administrative Agent as a Designated Entity; provided that at the time of such designation (a) no Default or Event of Default would result from such designation and (b) after giving pro forma effect to such designation the Debt to Equity Ratio is less than or equal to  $[\ast\ast]$  to 1.00. KCMH may, by written notice to the Administrative Agent, de-designate any Designated Entity and thereafter such entity shall not longer constitute a Designated Entity, but only if (a) no Default or Event of Default would result from such de-designation and (b) after giving pro forma effect to such de-designation the Debt to Equity Ratio is less than or equal to  $[\ast\ast]$  to 1.00; provided further that notwithstanding the foregoing, KKR-MM Vector GP LLC, KKR-MM Vector L.P., Merchant Capital Solutions LLC, MCS Corporate Lending LLC, MCS Capital Markets LLC,  $[\ast\ast]$ ,  $[\ast\ast]$ , any entity formed for the purpose of acting in an administrative or other agency roles in respect of financings (with written notice thereof provided by KCMH to the Administrative Agent) and any of their respective direct or indirect subsidiaries, now existing or hereafter formed, shall each be deemed a Designated Entity (unless otherwise de-designated by KCMH in accordance with this definition).

"Determination Day" has the meaning specified in the definition of "Term SOFR".

"Disqualified Equity Interests" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a)

matures or is mandatorily redeemable (other than solely for Equity Interests other than Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof (other than solely for Equity Interests other than Disqualified Equity Interests), in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case of clauses (a) through (d) above, prior to the date that is ninety-one days after the Commitment Termination Date.

**"Dollar Equivalent"** means, on any date, with respect to any amount denominated in an Alternate Currency, the amount of Dollars that would be required to purchase such amount of such Alternate Currency at or about 11:00 a.m., Local Time, on such date, for delivery two Business Days later, as determined by the Administrative Agent on the basis of the spot selling rate for the offering of such Alternate Currency for Dollars in the Principal Financial Center for the applicable Alternate Currency, all determinations thereof by the Administrative Agent to be conclusive and binding on the parties in the absence of manifest error.

[\*\*] = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

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**"Dollar RFR Determination Day"** has the meaning specified in the definition of "Daily Simple RFR".

**"Dollars"** and **"\$"** refers to lawful money of the United States.

**"Domestic Subsidiary"** means any Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

**"EEA Financial Institution"** means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

**"EEA Member Country"** means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

**"EEA Resolution Authority"** means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

**"Eligible Assignee"** means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other Person (other than a natural person) approved by the Administrative Agent and the Issuing Lender and, unless an Event of Default of the kind referred to in Section 7.01(a), 7.01(b), 7.01(g) or 7.01(h) has occurred and is continuing, by KCMH (each such approval not to be unreasonably withheld or delayed); provided, that notwithstanding the foregoing, assignments to any private equity fund, credit fund, hedge fund or other similar investment vehicle shall require the consent of KCMH in its sole discretion.

**"Equity Interests"** means shares of capital stock, partnership interests, membership interests in a limited liability company (including any securities convertible or exchangeable for such stock or interests), beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

**"ERISA"** means the Employee Retirement Income Security Act of 1974, as amended from time to time.

**"ERISA Affiliate"** means any Person that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

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**"ERISA Event"** means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than those events for which the 30-day notice period is waived pursuant to Department of Labor Reg. Section 4043 as in effect on the date hereof); (b) the failure of any Plan to satisfy the minimum funding standards (as defined in Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from the Borrower or any of its ERISA Affiliates of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA.

**"EU Bail-In Legislation Schedule"** means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

**"EURIBOR Rate"** means, with respect to any Term Benchmark Borrowing denominated in Euros and for any Interest Period, the EURIBOR Screen Rate, two TARGET Days prior to the commencement of such Interest Period.

**"EURIBOR Screen Rate"** means the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that

rate from time to time in place of Thomson Reuters as published at approximately 11:00 a.m. Brussels time two TARGET Days prior to the commencement of such Interest Period.

"Euro" has the meaning specified in Section 9.17.

"Events of Default" has the meaning specified in Section 7.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Excluded Taxes" means, with respect to any recipient of any payment made to or for such recipient's account, arising from any obligation of the Borrowers hereunder to the Administrative Agent and each Lender, Taxes (a) imposed on or measured by its

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overall net income (however denominated), franchise Taxes and branch profit Taxes, in each case, imposed by a jurisdiction (or any political subdivision thereof) as a result of a connection between such recipient and the jurisdiction (or political subdivision thereof) imposing such tax (other than any such Taxes that would not have been imposed but for such recipient's execution, delivery or performance of its obligations under, or its receipt of one or more payments pursuant to, this Agreement), (b) that are attributable to such recipient's failure to comply with the requirements of paragraph (e) or (f) of Section 3.11, (c) that are withholding taxes imposed on amounts payable to such recipient pursuant to a law in effect on the date on which (i) such recipient acquires an applicable interest in a Loan or Commitment or (ii) such recipient changes its lending office, except in each case to the extent that such recipient's assignor (if any) or such recipient was entitled, immediately before the time of assignment or immediately before it changed its lending office, to receive additional amounts from the Borrower with respect to such Taxes pursuant to Section 3.11(b) and (d) any withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain 364-Day Revolving Credit Agreement dated April 9, 2021 among KCMH, KCL U.S., KCL, U.K., KCL C.A., KCL T.N., MHCB as administrative agent and the lenders party thereto, as from time to time further amended, modified, supplemented, refinanced or replaced.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any law, regulation, rule, promulgation, or official agreement implementing an official government agreement with respect to the foregoing.

"Federal Funds Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Finance Lease Obligation" shall mean, as applied to any Person, an obligation that is required to be accounted for as a finance or capital lease (and not an operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a finance or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

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"Finance Subsidiary" means KCL U.K., KCL U.S., KCL C.A., KCL T.N., KCL Cayman, KKR Nitro and any other direct or indirect Subsidiary of KCMH formed for the purpose of providing financing in KCMH's financing business.

"Finance Subsidiary Debt" means Indebtedness under any warehouse credit facility or other similar line of credit entered into for the purpose of funding Indebtedness originated or extended by any Finance Subsidiary.

"Financial Officer" means the chief financial officer, principal financial officer, treasurer, controller or a director of a Borrower.

"FINRA" means the Financial Industry Regulatory Authority, or any other Self Regulatory Organization that succeeds to the functions thereof.

"Five-Year Credit Agreement" means that certain Third Amended and Restated 5-Year Revolving Credit Agreement dated March 20, 2020 among KCMH, KCL U.S., KCL, U.K., MHCB as administrative agent and the lenders party thereto, as amended by the First Amendment, dated as of November 3, 2020, the Second Amendment dated as of April 9, 2021, the Third Amendment, dated as of January 7, 2022, the Fourth Amendment, dated as of February 4, 2022, and the Fifth Amendment, dated **effective** as of the date hereof, and as further amended, modified, supplemented, refinanced or replaced from time to time. **first stated above.**

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Dollars or any Alternate Currency. For the avoidance of doubt the initial Floor for each of Term SOFR, EURIBOR Rate, each Daily Simple RFR and the Central Bank Rate shall be 0.0%.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Fund" means any Person (other than a natural person) that is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"General Partner" means KKR Capital Markets Holdings GP LLC, a Delaware limited liability company.

"GAAP" means accounting principles generally accepted in the United States as in effect from time to time.

"Governmental Authority" means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

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"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or to advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guarantee issued to support such Indebtedness; provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made (or, if such Guarantee is limited by its terms to a lesser amount, such lesser amount) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

"Guarantee and Security Agreement" means the Guaranty and Security Agreement, dated as of the date hereof, among the Obligors and the Administrative Agent in substantially the form of Exhibit B, as from time to time amended, modified or supplemented.

"Guarantors" means, at any time, collectively, those Subsidiaries of KCMH that are parties to the Guarantee and Security Agreement.

"Hedging Agreement" means any interest rate protection agreement, foreign currency exchange agreement or other derivative transaction.

"Indebtedness" of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or similar instruments, (b) the deferred purchase price of assets or services that in accordance with GAAP would be included as a liability on the balance sheet of such Person, (c) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder and all direct obligations arising under bankers' acceptances, bank guarantees, surety bonds and similar instruments, (d) all Indebtedness of any other Person secured by any Lien on any property owned by such Person, whether or not such Indebtedness has been assumed by such Person, (e) the principal component of all Finance Lease Obligations, (f) all obligations of such Person under interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity price protection agreements or other commodity price hedging agreements and other similar agreements, (g) without duplication, all Guarantees by such Person of Indebtedness of others and (h) all obligations of such Person in respect of Disqualified Equity Interests, provided that Indebtedness shall not include (i) trade and other ordinary

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course payables and accrued expenses arising in the ordinary course of business, (ii) deferred or prepaid revenue and (iii) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller. The amount of Indebtedness of any Person for purposes of clause (d) shall be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith.

"Indemnified Taxes" means (a) Taxes other than Excluded Taxes, and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitee" has the meaning specified in Section 9.04(b).

"Intercreditor Agreement" means that certain First Lien Intercreditor Agreement dated April 8, 2022, among the Administrative Agent, the administrative agent in respect of the Five-Year Credit Agreement, the other parties thereto from time to time and acknowledged by the Obligors, as from time to time amended, modified, supplemented or replaced.

"Interest Period" means, for any Term Benchmark Loan, the period beginning on the date such Term Benchmark Loan is made, or Continued or Converted from an ABR Loan, and ending on the last day of the period selected by the Borrower pursuant to the provisions below, and thereafter each subsequent period commencing on the last day of the immediately preceding Interest Period therefor and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one month, or if agreed by the Administrative Agent, three or six months (or if available to all relevant Lenders, twelve months), as the Borrower may select by notice to the Administrative Agent no later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to such twelve-month periods, fourth Business Day) prior to the first day of such Interest Period.

Notwithstanding the foregoing:

- (w) if any Interest Period would otherwise commence before and end after the Commitment Termination Date, such Interest Period shall end on the Commitment Termination Date,
- (x) each Interest Period that would otherwise end on a day that is not a Business Day shall end on the next succeeding Business Day, unless such next succeeding Business Day would fall in the succeeding month, in which case such Interest Period shall end on the next preceding Business Day,

(y) each Interest Period that commences on the last day of a month (or on any day for which there is no numerically corresponding day in the appropriate subsequent month) shall end on the last Business Day of the appropriate subsequent calendar month, and

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(z) Interest Periods commencing on the same day for Term Benchmark Loans comprising part of the same Borrowing shall be of the same duration.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person.

"Issuing Lender" means MHC B, and/or any other Lender from time to time designated as an Issuing Lender in a writing signed by such Lender, KCMH and the Administrative Agent (MHC B and such other Lender being collectively referred to herein as the "Issuing Lender" unless the context otherwise requires).

"KCL Cayman" means KKR Corporate Lending (Cayman) Ltd., a Cayman limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCL C.A." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL T.N." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL U.K." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL U.S." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCMH" has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCM Asia" means KKR Capital Markets Asia Limited, a Hong Kong ~~limited liability~~ company limited by shares, and includes any successor thereto in accordance with this Agreement.

"KCM Asia II" means KKR Capital Markets Asia II Limited, a Hong Kong company limited by shares, and includes any successor thereto in accordance with this Agreement.

"KCM Asia Reorganization Effective Date" means the date upon which KCM Asia ceases to be a subsidiary of KCMH; provided that on or prior to such date, (i) KCM Asia II has become a licensed corporation under the SFO to carry on Type 1 and Type 4

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regulated activities and (ii) KKR Asia LLC has received SFC approval to be a substantial shareholder of KCM Asia.

"KCM Group Entity" means KCMH and any entity in which KCMH, directly or indirectly, owns an Equity Interest.

"KCM Ireland" means KKR Capital Markets (Ireland) Limited, an Ireland limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM Japan" means KKR Capital Markets Japan Holdings LLC, a Delaware limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM U.S." means KKR Capital Markets LLC, a Delaware limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM U.K." means KKR Capital Markets Limited, a United Kingdom limited liability company, and includes any successor thereto in accordance with this Agreement.

"KKR" means Kohlberg Kravis Roberts & Co. L.P., a Delaware limited partnership and includes any successor thereto in accordance with this Agreement.

"KKR Nitro" means KKR Nitro Holdings Limited, a Cayman limited liability company, and includes any successor thereto in accordance with this Agreement.

"L/C Exposure" means, at any time, the sum of (a) the aggregate undrawn face amount of all outstanding Letters of Credit and (b) the aggregate amount of unreimbursed L/C Payments under all outstanding Letters of Credit (or, if applicable with respect to clauses (a) and (b), the Dollar Equivalent thereof).

"L/C Payment" means a payment by an Issuing Lender of a draft or demand drawn under a Letter of Credit.

"L/C Reimbursement Obligation" means the obligation of a Borrower to reimburse an Issuing Lender for an L/C Payment pursuant to Section 2.02(d)(ii).

"L/C Related Documents" has the meaning specified in Section 2.02(c)(i).

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case, whether or not having the force of law.

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"Lead Arranger" means MHC B, in its capacity as sole lead arranger and sole bookrunner.

"Lender" means each bank or other financial institution listed on the signature pages hereof and each Person that shall become a party hereto pursuant to 9.06.

"Letter of Credit" has the meaning specified in Section 2.02(a)(i).

"Letter of Credit Facility Amount" means the lesser of (a) \$0 and (b) the Aggregate Facility Amount.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" has the meaning specified in Section 2.01(a)(i).

"Loan Documents" means, collectively, this Agreement, the Notes, the Guarantee and Security Agreement and the Intercreditor Agreement.

"Local Time" means (a) with respect to any Loan denominated or any payment to be made in Dollars, New York time, and (b) with respect to any Term Benchmark Loan or RFR Loan denominated or any payment to be made in an Alternate Currency, the local time in the Principal Financial Center for such Alternate Currency.

"London Banking Day" means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London.

"Majority Lenders" means, at any time, (a) Lenders holding more than 50% of the Commitments, or (b) if the Commitments have terminated or expired, Lenders having collectively more than 50% of the sum of (i) aggregate amount of the unpaid principal amount of the Loans and (ii) L/C Exposure (computed at any time, in the case of Loans and L/C Exposure denominated in an Alternate Currency, as the Dollar Equivalent thereof as determined by the Administrative Agent); provided that the unused Commitment of, and the portion of the Total Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Majority Lenders.

"Material Adverse Effect" means a material adverse effect on (a) the business, financial condition, properties or operations of KCMH and its Subsidiaries taken as a whole, (b) the ability of any Obligor to perform any of its material obligations under any

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Loan Document or (c) the material rights and remedies of, or benefits available, to the Administrative Agent or the Lenders under any Loan Document.

"Material Foreign Subsidiary" means any Foreign Subsidiary (inclusive of its Subsidiaries) that, as of the last day of the fiscal quarter of KCMH most recently ended for which financial statements have been delivered pursuant to Section 6.01(a)(i) or (ii), (a) generated over 25% of consolidated revenues of KCMH and its Subsidiaries for the period of two years ended at the end of such fiscal quarter or (b) to which more than \$[\*\*] of the Aggregate Facility Amount has been funded as of such date and has been funded for the period of six months immediately preceding such date.

"Material Indebtedness" means Indebtedness of the type described in clause (a) of the definition thereof issued or incurred under any agreement or instrument in an aggregate outstanding principal amount of \$[\*\*] or more.

"Material Subsidiary" means any Subsidiary that constitutes a "significant subsidiary" as defined under Regulation S-X promulgated by the SEC, as in effect from time to time; provided that each of KCM U.S. and KCM U.K. shall be a Material Subsidiary.

"MHC" means Mizuho Bank, Ltd. or any successor thereto.

"Moody's" means Moody's Investors Service, Inc. or any successor thereto.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

**INDEMNITEE:**

**Name:**

**KKR & CO. INC.**

**By:**

**Name:**

**Title:**

"Non-U.S. Lender" has the meaning specified in Section 3.11(e).

"Note" has the meaning specified in Section 2.01(e).

"Notice of Borrowing" has the meaning specified in Section 2.01(b)(ii).

"Notice of Issuance" has the meaning specified in Section 2.02(c)(i).

"Obligations" means (a) all obligations of the Borrowers under the Loan Documents to pay the principal of and interest on the Loans and the L/C Reimbursement Obligations and all fees, premiums, costs, expenses, indemnification payments and other amounts or obligations whatsoever, whether direct or indirect, absolute or contingent, now or hereafter from time to time owing to the Secured Creditors arising under, out of, or in connection with the Loan Documents and all obligations of the Borrowers to any Lender (or any Affiliate thereof) under any Hedging Agreement and (b) in the case of each of the foregoing, including all interest thereon and expenses related thereto, including any interest or expenses accruing or arising after the commencement of any case with respect to any Obligor under the United States Bankruptcy Code or any other



bankruptcy or insolvency law (whether or not such interest or expenses are allowed or allowable as a claim in whole or in part in such case).

"**Obligors**" means, collectively, the Borrowers and the Guarantors.

"**Other Taxes**" means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document, except any such taxes imposed with respect to an assignment.

"**Participant**" has the meaning specified in Section 9.06(d).

"**Participant Register**" has the meaning specified in Section 9.06(d).

"**Patriot Act**" has the meaning specified in Section 9.15.

"**PBGC**" means the Pension Benefit Guaranty Corporation referred to and defined in Section 4002 of ERISA and any successor entity performing similar functions.

"**Permitted Liens**" means:

(a) Liens for taxes, assessments or governmental charges or claims not yet overdue for a period of more than 30 days or that are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established to the extent required by and in accordance with GAAP, or for property taxes on property that the Borrower or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge or claim is to such property;

(b) Liens in respect of property or assets of KCMH or any of its Subsidiaries imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens arising in the ordinary course of business, in each case so long as such Liens arise in the ordinary course of business and do not individually or in the aggregate have a Material Adverse Effect;

(c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under 7.01(j);

(d) Liens incurred or deposits made in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business;

(e) ground leases in respect of real property on which facilities owned or leased by the Borrower or any of its Subsidiaries are located;

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(f) easements, rights-of-way, restrictions, minor defects or irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business

Exhibit 10.17

#### INDEPENDENT DIRECTOR COMPENSATION PROGRAM

As of KCMH and its Subsidiaries, taken as a whole; September 20, 2023

(g) any interest or title of a lessor or secured by a lessor's interest under any lease permitted by this Agreement; **1. Annual Retainer: \$130,000.**

(h) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods; **2. Committee Fees:**

- (i) leases, licenses, subleases or sublicenses granted to others not interfering in any material respect with the business of KCMH and its Subsidiaries, taken as a whole; **Audit Committee**

- (j) Liens arising from precautionary UCC financing statement or similar filings made in respect of operating leases entered into by the Borrower or any of its Subsidiaries; **Member-\$25,000**

- (k) Liens created in the ordinary course of business in favor of banks and other financial institutions over credit balances of any bank accounts, brokerage accounts or commodities accounts of KCMH and its Subsidiaries held at such banks or financial institutions, including any accounts maintained with any clearing or settlement bank or other financial institution; and

- (l) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct **Audit Committee Chair-\$50,000 (inclusive of the business of KCMH Audit Committee Member fee),**

- Nominating** and its Subsidiaries, taken as a whole. **Corporate Governance Committee**



- **"Permitted Subordinated Debt"** shall mean senior subordinated notes, or other senior subordinated Indebtedness, issued by a Borrower or any Guarantor, (a) the terms of which (i) do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to a date 91 days after Commitment Termination Date (other than customary offers to purchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default) and (ii) provide for customary subordination to the obligations **Member-\$15,000**,
- **Conflicts Committee**
- **Member-\$15,000**,
- **Conflicts Committee Chair-\$30,000 (inclusive** of the Obligors under the Loan Documents, (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to KCMH and its Subsidiaries than those herein; **provided** that a certificate of a Financial Officer of KCMH is delivered to the Administrative Agent at least seven Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that KCMH has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies KCMH within such period that it disagrees with such determination (including a

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reasonable description of the basis upon which it disagrees), (c) of which no Subsidiary of KCMH (other than a Guarantor) is an obligor and (d) after giving **proforma** effect to the issuance thereof, KCMH shall be in compliance with the financial covenant set forth in Section 6.03.

**"Person"** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

**"Plan"** means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

**"Pledged Equity"** has the meaning specified in the Guarantee and Security Agreement.

**"Principal Financial Center"** means, for any Currency, the principal financial center in the country of issue of such Currency, as reasonably determined by the Administrative Agent.

**"Property"** of any Person means any property or assets, or interest therein, of such Person.

**"Reference Time"** with respect to any setting of the then-current Benchmark means (1) if such Benchmark is Term SOFR, 5:00 a.m. (New York time) on the day that is two Business Days preceding the date of such setting, (2) if such Benchmark is EURIBOR Rate, 11:00 a.m. Brussels time two TARGET Days preceding the date of such setting, (3) if such Benchmark is Daily Simple RFR, then four Business Days prior to such setting, or (4) if such Benchmark is none of Term SOFR, the EURIBOR Rate or Daily Simple RFR, the time determined by the Administrative Agent in its reasonable discretion.

**"Register"** has the meaning specified in Section 9.06(c).

**"Regulations T, U and X"** means, respectively, Regulations T, U and X of the Board of Governors of the Federal Reserve System (or any successor), as from time to time amended, modified or supplemented.

**"Related Parties"** means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

**"Relevant Governmental Body"** means (i) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, (ii) with

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respect to a Benchmark Replacement in respect of RFR Loans denominated in Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto, or (iii) with respect to a Benchmark Replacement in respect of Loans denominated in an Alternate Currency (other than Sterling), (a) the central bank for such Alternate Currency in which such Benchmark is denominated or any central bank or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), (b) any working group or committee officially endorsed or convened by (1) the central bank for such Alternate Currency in which such Benchmark is denominated, (2) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark or (B) the administrator of such Benchmark, (3) a group of those central banks or other supervisors, (4) the Financial Stability Board or any part thereof, (c) an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), (d) a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or (e) a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component).

**"Relevant Rate"** means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, Term SOFR, (ii) with respect to any Term Benchmark Borrowing denominated in Euros, the EURIBOR Rate or (iii) with respect to any Borrowing denominated in Sterling (or, subject to Section 3.04(c) Dollars), the applicable Daily Simple RFR, as applicable.

**"Resolution Authority"** means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of any Person, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to any Person's stockholders, partners or members (or the equivalent Person thereof).

"RFR" means, for any RFR Loan denominated in (a) Dollars, SOFR, and (b) Sterling, SONIA.

"RFR Borrowing" means, as to any Borrowing, the RFR Loans comprising such Borrowing.

"RFR Business Day" means, for any Loan denominated in (a) Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London and (b) Dollars, a U.S. Government Securities Business Day.

"RFR Interest Day" has the meaning specified in the definition of "Daily Simple RFR".

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"RFR Loan" means a Loan that bears interest at a rate based on the Daily Simple RFR.

"Rule 15c3-1" means Rule 15c3-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act (17 CFR 240, 15c3-1), as from time to time amended, modified or supplemented, or such other rule or regulation of the SEC which replaces Rule 15c3-1.

"S&P" means Standard & Poor's Rating Services or any successor thereto.

"Screen Rate" means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, the Term SOFR Reference Rate or (ii) with respect to any Term Benchmark Borrowing denominated in Euros, the EURIBOR Screen Rate, as applicable, as applicable.

"Secured Creditors" means, collectively, the Lenders (including each Issuing Lender) and the Administrative Agent, any other holder from time to time of any of the Obligations and, in each case, their respective successors and assigns.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to the principal functions thereof.

"Self Regulatory Organization" has the meaning assigned to such term in Section 3(a)(26) of the Exchange Act.

"SFC" means the Securities and Futures Commission of Hong Kong.

"SFO" means the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong.

"SIPA" means the Securities Investor Protection Act of 1970, as from time to time amended, modified or supplemented.

"SIPC" means the Securities Investor Protection Corporation established pursuant to SIPA or any other corporation succeeding to the principal functions thereof.

"SOFR" means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

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"Solvent" and "Solvency" mean, with respect to any Person, that as of the Closing Date, (a) (i) the sum of such Person's debts (including contingent liabilities) does not exceed the present fair saleable value of such Person's present assets; (ii) such Person's capital is not unreasonably small in relation to its business as contemplated on the Closing Date; and (iii) such Person has not incurred and does not intend to incur, or believe that it will incur, debts including current obligations beyond its ability to pay such debts as they become due (whether at maturity or otherwise); and (b) such Person is "solvent" within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"SONIA" means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator's Website on the immediately succeeding Business Day.

"SONIA Administrator" means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

"SONIA Administrator's Website" means the Bank of England's website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

"SONIA Rate" when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, which are bearing interest at a rate determined by reference to the Daily Simple RFR for Loans denominated in Sterling.

"Sterling" means the lawful currency of the United Kingdom.

"Sterling RFR Determination Day" has the meaning specified in the definition of "Daily Simple RFR".

"Subordinated Indebtedness" means any Permitted Subordinated Debt or any other Indebtedness the terms of which provide for customary subordination in right of payment to the obligations of a Borrower or any of its Subsidiaries, as applicable, under this Agreement and the other Loan Documents.

"Subsidiary" means, at any time, any corporation, partnership, limited liability company or other entity of which at least a majority of the Voting Shares are at the time directly or indirectly owned or controlled by KCMH or one or more Subsidiaries of

KCMH; provided that no Designated Entity shall be a Subsidiary.

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"Support Payment" has the meaning specified in Section 2.06(a).

"Taxes" means all present and future taxes, duties, levies, imposts, deductions, charges or withholdings or similar charges, with respect to any amount payable on or in respect of any Loan Document, Loans, Notes or Letters of Credit, and all interest, penalties and similar amounts with respect thereto, now or thereafter imposed, assessed, levied or collected by any jurisdiction from which any amount payable under the Loan Documents is paid, or any political subdivision or taxing authority thereof or therein, or any organization or federation of which any of the foregoing may be a member or associated.

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

"TARGET Day" means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

"Term Benchmark" when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to Term SOFR (other than pursuant to clause (c) of the definition of "ABR") or the EURIBOR Rate.

"Term SOFR" means,

(a) for any calculation with respect to a Term Benchmark Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Determination Day; and

(b) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "ABR Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term

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SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day.

provided, further, that if Term SOFR determined as provided above (including pursuant to the provision under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor,

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Total Credit Exposure" means, at any time, the sum of (a) the aggregate outstanding principal amount of the Loans (being the Dollar Equivalent thereof in the case of Loans denominated in an Alternate Currency) plus (b) the aggregate outstanding L/C Exposure.

"Total Debt" means, at any date, (a) all Indebtedness of the types described in clause (a), clause (c) (but, in the case of clause (c), only to the extent of any unreimbursed drawings under any letter of credit) and clause (e) of the definition thereof actually owing by KCMH and/or its Subsidiaries on such date to the extent appearing on the consolidated balance sheet of KCMH determined in accordance with GAAP (provided that the amount of any Finance Lease Obligations or any such Indebtedness issued at a discount to its face value shall be determined in accordance with GAAP) minus (b) the aggregate cash and Cash Equivalents included on the consolidated balance sheet of KCMH as at such date to the extent the use thereof for application to the payment of Indebtedness is not prohibited by law or any contract to which KCMH or any Subsidiary is a party; provided that for the purposes of this definition, Indebtedness shall not include (i) any Finance Subsidiary Debt (unless such Indebtedness is incurred by a Finance Subsidiary that is also a Borrower under this Agreement), (ii) any liabilities includable solely based on the application of ASC 810 or ASC 860 and (iii) any Indebtedness of any Designated Entity.

"Total Equity" means, as of any date of determination, (a) KCMH's consolidated partners' capital (or stockholders' equity, as the case may be) measured on a GAAP basis, minus (b) the sum of (i) any declared but unpaid distribution or dividend to KCMH's general or limited partners (or any other equity holders) and (ii) any loans or advances made to KCMH's general or limited partners (or any other equity holders);

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provided that Total Equity shall not include KCMH's partners' capital (or stockholders' equity, as the case may be) attributable to any Designated Entity and, in the event all or a substantial portion of the equity in a Finance Subsidiary is pledged to a third party,

such Finance Subsidiary.

"Type" refers to whether a Loan is an ABR Loan, a Term Benchmark Loan or a RFR Loan.

"UCC" means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"United States" or "U.S." means the United States of America.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"Voting Shares" means, with respect to any Person, such Person's Equity Interests having the right to vote for the election of directors, or other individuals performing similar functions, of such Person under ordinary circumstances.

"Wholly-Owned Subsidiary" means, with respect to any Person, any Subsidiary of which all of the Equity Interests (other than, in the case of a corporation, directors' qualifying shares) are directly or indirectly owned or controlled by such Person or one or more Wholly-Owned Subsidiaries of such Person or by such Person and one or more Wholly-Owned Subsidiaries of such Person.

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"Withdrawal Liability" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Conflicts Committee Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. Terms Generally(fee). The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to but excluding". The words "include", "includes" and "including" shall be deemed in each case to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed in each case as referring to such agreement, instrument or other document as from time to time amended, modified or supplemented, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed in each case to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import shall be construed in each case to refer to this Agreement in its entirety and not to any particular provision hereof, and (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement. For the avoidance of doubt, references in Articles VIII and IX to the Lenders shall include in each case the Issuing Lender, unless the context otherwise requires. For the purposes of Section 2.05 only, the term "Borrower" or "Borrowers" shall exclude any Broker-Dealer Subsidiary.

SECTION 1.03. Accounting Terms: GAAP; Calculation of Debt to Equity Ratio.

(a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that if the Borrower notifies the Administrative Agent that it requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such

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change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

(b) Calculation of the Debt to Equity Ratio shall be based on relevant information in the financial statements and asset schedules delivered pursuant to Sections 6.01(a)(i), (ii) and (vi) giving proforma effect to such information where appropriate; provided that the amount of Total Debt shall be the amount outstanding as of the date of determination after giving effect to the incurrence of any Indebtedness on such date of determination.

SECTION 1.04. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 1.05. Interest Rates. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or with respect to any alternative, successor or replacement rate thereof (including any Benchmark Replacement), or any calculation, component definition thereof or rate referenced in the definition thereof, including, without limitation, (i) any such alternative, successor or replacement rate (including any Benchmark Replacement) implemented pursuant to Section 3.04 upon the occurrence of a Benchmark Transition Event, and (ii) the effect, implementation or composition of any Benchmark Replacement Conforming Changes pursuant to Section 3.04(c), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or have the same volume or liquidity as did ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark prior to its discontinuance or unavailability. In addition, the discontinuation of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark and any alternative, successor or replacement reference rate may result in a mismatch between the reference rate referenced in this Agreement and your other financial instruments, including potentially those that are intended as hedges. The Administrative Agent and its Affiliates and/or other related entities may engage in transactions that affect the calculation of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or any alternative, successor or replacement rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, with all determinations of such ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or such alternative, successor or replacement rate by the Administrative Agent to be conclusive, absent manifest error. The Administrative Agent may

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select information sources or services in its reasonable discretion to ascertain ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or any such alternative, successor or replacement rate, in each case pursuant to the terms of this Agreement (as amended, amended and restated, supplemented or otherwise modified from time to time), and shall have no liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

## ARTICLE II THE COMMITMENTS

### SECTION 2.01. The Loans.

(a) (1) Each Lender severally agrees, on and subject to the terms and conditions of this Agreement, to make loans to the Borrowers under this Section 2.01(a)(i) (each, a "Loan") from time to time on any Business Day during the Availability Period, in an aggregate principal amount at any one time outstanding up to but not exceeding the Commitment of such Lender and, as to all Lenders and all Borrowers, in an aggregate principal amount at any one time outstanding up to but not exceeding the Aggregate Borrowing Availability (or the Alternate Currency Equivalent thereof).

(i) ABR Loans shall be denominated in Dollars, Term Benchmark Loans may be denominated in Dollars or Euros, and RFR Loans shall be denominated in Sterling (or subject to a Benchmark Replacement, Dollars).

(ii) Anything in this Agreement to the contrary notwithstanding, the Total Credit Exposure shall not at any time exceed the then Aggregate Facility Amount.

(iii) Within such limits, the Borrowers may from time to time borrow under this Section 2.01, prepay Loans in whole or in part pursuant to Section 3.06(a) and reborrow under this Section 2.01.

(iv) The Borrowers shall be co-borrowers with respect to each Borrowing, and shall be jointly and severally liable for all obligations and liabilities with respect thereto in accordance with Sections 2.05 and 2.06.

(b) Borrowing Procedure. (2) Each Borrowing shall be in a minimum amount of \$5,000,000 in the case of a Borrowing of Term Benchmark Loans and RFR Loans, or \$1,000,000, in the case of a Borrowing of ABR Loans, or in each case an integral multiple of \$1,000,000 in excess thereof (or, in the case of a Borrowing denominated in an Alternate Currency, the Alternate Currency Equivalent thereof, rounded to the nearest 1,000 units of such Alternate Currency), and shall be made on notice by the requesting Borrower to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or,

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with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of such Borrowing in the case of a Borrowing consisting of Term Benchmark Loans or RFR Loans or not later than 11:00 a.m. (New York time) on the date of such Borrowing in the case of a Borrowing consisting of ABR Loans, and the Administrative Agent shall give each Lender prompt notice thereof.

(i) Each such notice of a Borrowing (a "Notice of Borrowing") shall be irrevocable and binding on the Borrowers and shall be in substantially the form of Exhibit C, specifying therein the requested (1) date of such Borrowing (which shall be a Business Day), (2) Type of Loans comprising such Borrowing, (3) aggregate amount of such Borrowing, stated in Dollars, and the Currency thereof and (4) in the case of a Borrowing of Term Benchmark Loans, initial Interest Period for such Loans.

(ii) Each Lender shall, before 1:00 p.m. (New York time) on the date of such Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at the Administrative Agent's Account, in same day funds,



such Lender's ratable portion of such Borrowing.

(iii) After the Administrative Agent's receipt of such funds, and subject to the satisfaction of the applicable conditions set forth in Article IV, the Administrative Agent will make such funds available to the requesting Borrower by promptly crediting the amounts so received, in like funds, to such account of such Borrower as the Administrative Agent and such Borrower may agree.

(iv) If the requesting Borrower fails to specify a Type of Loan in a Notice of Borrowing, then the applicable Loans shall be made as ABR Loans. If the requesting Borrower fails to provide a timely notice of Conversion or Continuation with respect to a Borrowing of Term Benchmark Loans, then such Borrower shall be deemed to have requested a Continuation with respect thereto with an Interest Period of one month. If the requesting Borrower requests a Borrowing of, Conversion to, or Continuation of Term Benchmark Loans in any such Notice of Borrowing, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. If the requesting Borrower requests a Borrowing of, Conversion to, or Continuation of Term Benchmark Loans in any such Notice of Borrowing, but fails to specify the Currency thereof, it will be deemed to have specified such Loans in Dollars.

(v) After giving effect to all Borrowings, all Conversions and all Continuations, there shall not be more than 15 Interest Periods in effect.

For the avoidance of doubt, in no event shall any Borrower be permitted to request a Daily Simple RFR Loan denominated in Dollars until after the occurrence of a Benchmark Replacement pursuant to clause (1) of the definition thereof in accordance with Section 3.04(c).

(c) Types of Loans. Each Borrowing and each Conversion or Continuation thereof shall consist of Loans of the same Type (and, if such Loans are Term Benchmark Loans,

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having the same Interest Period) made, Continued or Converted on the same day by the Lenders ratably according to their Commitment Percentages.

(d) Accounts. (3) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(i) The Administrative Agent shall maintain accounts in which it shall record (x) the amount of each Loan, the Type thereof and the Interest Period applicable thereto, (y) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (z) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(ii) The entries made in the accounts maintained pursuant to this clause (d) shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided, that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans made to any Borrower or make payments for other obligations (including L/C Reimbursement Obligations) in accordance with the terms of this Agreement.

(e) Notes. Any Lender may, through the Administrative Agent, request that the Loans to be made by it be evidenced by a promissory note of the Borrowers. In such event, the Borrowers shall prepare, execute and deliver to such Lender a joint and several promissory note payable to such Lender (or its registered assigns), substantially in the form of Exhibit A (each, a "Note"), in the amount of the Commitment of such Lender, dated the Closing Date and otherwise appropriately completed.

#### SECTION 2.02. Letter of Credit Facility.

(a) Letters of Credit. (4) Each Issuing Lender agrees, on and subject to the terms and conditions of this Agreement, to issue one or more letters of credit (each, a "Letter of Credit") for the account of a Borrower from time to time on any Business Day during the period from the Closing Date until the date ten Business Days before the Commitment Termination Date, provided, that the total L/C Exposure with respect to Letters of Credit may not at any time exceed the Letter of Credit Facility Amount.

(i) Letters of Credit may be denominated in Dollars or any Alternate Currency, as requested in writing by the Borrower.

(ii) Anything in this Agreement to the contrary notwithstanding, the issuance of Letters of Credit shall be subject to the limitations set forth in Section 2.01(a)(iii).

(iii) Within the foregoing limits, and subject to the terms and conditions hereof, a Borrower's ability to obtain Letters of Credit shall be revolving, and accordingly a Borrower may, during the period referred to in clause (i) above, obtain

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Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(iv) The Borrowers shall be co-obligors with respect to each Letter of Credit, and shall be jointly and severally liable for all obligations and liabilities with respect thereto in accordance with Sections 2.05 and 2.06.

(b) Terms; Issuance. (5) Each Letter of Credit shall be in a form reasonably satisfactory to the relevant Issuing Lender and have a stated expiration date that is no later than the earlier of (x) one year after its date of issuance and (y) five Business Days prior to the Commitment Termination Date; provided that a Letter of Credit with a one-year tenor may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond a date five Business Days prior to the Commitment Termination Date (except that one or more Letters of Credit may expire up to one year after the Commitment Termination Date if each such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the Borrowers, the relevant Issuing Lender and the Administrative Agent)).

(i) An Issuing Lender shall be under no obligation to issue any Letter of Credit if (A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Lender from issuing such Letter of Credit, or any law applicable to such Issuing Lender or any directive (whether or not having the force of law) from any

Governmental Authority with jurisdiction over such Issuing Lender shall prohibit, or direct that such Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Lender with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Lender is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such Issuing Lender any unreimbursed loss, cost or expense which was not applicable on the Closing Date (for which such Issuing Lender is not otherwise compensated hereunder), or (B) the issuance of such Letter of Credit would violate any laws binding upon such Issuing Lender.

(c) Issuance Procedure. (6) Each Letter of Credit shall be issued upon notice, given not later than 11:00 a.m. (New York time) on the third Business Day prior to the proposed issuance date of such Letter of Credit, by the requesting Borrower to the relevant Issuing Lender (or such shorter notice as shall be acceptable to such Issuing Lender), with a copy to the Administrative Agent, and the Administrative Agent shall give to each Lender prompt notice thereof by telecopier or email. Each such notice from the requesting Borrower (a "Notice of Issuance") shall be by telecopier or email, confirmed promptly by hard copy, specifying therein the Issuing Lender and the requested date of issuance (which shall be a Business Day) of such Letter of Credit, its face amount and expiration date and the name and address of the beneficiary thereof, and shall attach the proposed form thereof (or such other information as shall be necessary to prepare such Letter of Credit). If requested by the applicable Issuing Lender, the requesting Borrower shall supply such application and agreement for letter of credit, in the form reasonably satisfactory to the relevant Issuing Lender, as the relevant Issuing Lender may require

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in connection with such requested Letter of Credit ("L/C Related Documents") along with such other information reasonably related to the requested Letter of Credit.

(i) If the proposed Letter of Credit complies with the requirements of this Section 2.02, such Issuing Lender will, unless the Issuing Lender has received written notice from the Administrative Agent, that one or more of the applicable conditions set forth in Article IV shall not be satisfied, make such Letter of Credit available to the requesting Borrower as agreed with the requesting Borrower in connection with such issuance. In the event and to the extent that the provisions of any L/C Related Documents shall conflict with this Agreement, the provisions of this Agreement shall govern.

(ii) Each Issuing Lender shall furnish (A) upon request of the Administrative Agent, copies of the Letters of Credit issued by it hereunder, and (B) to the Administrative Agent on the first Business Day of each fiscal quarter a written report setting forth the Letters of Credit issued in Alternate Currencies, solely for purposes of determining the Dollar Equivalent thereof.

(d) Reimbursement; Syndicate Participation. (7) Automatically upon the issuance of each Letter of Credit, each Lender shall be deemed to have automatically and unconditionally acquired a participation therein to the extent of such Lender's Commitment Percentage on the terms provided in this clause (d) without any further action.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of drawing under such Letter of Credit, the relevant Issuing Lender shall notify the requesting Borrower and the Administrative Agent thereof. Not later than 1:00 p.m. (New York time) on the second Business Day following any L/C Payment by an Issuing Lender (the "Honor Date"), the Borrowers jointly and severally agree to reimburse such Issuing Lender directly in an amount equal to the amount of such L/C Payment.

(ii) If the Borrowers fail to so reimburse such Issuing Lender by such date, or if any amounts reimbursed by any Borrower are required to be returned or disgorged for any reason, such Issuing Lender shall promptly notify the Administrative Agent and the Administrative Agent shall promptly notify each Lender of the Honor Date, the unreimbursed amount of such L/C Payment (the "Unreimbursed Amount"), and the amount of such Lender's prorata share thereof. In such event, such Borrower shall be irrevocably deemed to have requested a Borrowing of ABR Loans to be disbursed on the Honor Date in an aggregate Dollar Equivalent amount equal to the Unreimbursed Amount (without regard to the minimum and multiples specified in Section 2.01(b)); provided that, notwithstanding any other provision to the contrary in this Section 2.02, no such Borrowing of ABR Loans shall be permitted unless the Debt to Equity Ratio shall be less than or equal to [\*\*] to 1.00 after giving proforma effect to such Borrowing and the conditions specified in clauses (a) and (b) of Section 4.02 have been satisfied on or as of the date of such Borrowing. Any notice given by an Issuing Lender or the Administrative Agent pursuant to this Section 2.02(d)(iii) may be given by telephone if immediately confirmed in writing; provided, that the lack of such an

*[\*\*] = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

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immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(iii) Subject to the proviso in Section 2.02(d)(iii), each Lender (including any Lender acting as an Issuing Lender) unconditionally agrees upon any notice pursuant to Section 2.02(d)(iii) to make funds available to the Administrative Agent for the account of the relevant Issuing Lender at the Administrative Agent's Account in an amount equal to its Commitment Percentage of the unpaid L/C Reimbursement Obligation not later than 1:00 p.m. (New York time) on the Business Day specified in such notice by the Administrative Agent, whereupon each Lender that so makes funds available shall be deemed to have made an ABR Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the relevant Issuing Lender.

(iv) The Borrowers jointly and severally agree to pay interest on the unreimbursed amount of each L/C Reimbursement Obligation to the relevant Issuing Lender, for each day from the date of the relevant L/C Payment until such L/C Reimbursement Obligation is reimbursed or refinanced in full as herein provided, at the rate provided in Section 3.02(b)(ii).

(v) Subject to the proviso in Section 2.02(d)(iii), each Lender's obligation to make the payments provided in clause (iv) above to reimburse an Issuing Lender for any L/C Payment shall be absolute and unconditional and shall not be affected by (A) any setoff or counterclaim which such Lender may have against an Issuing Lender, any Borrower or any other Person, (B)



the occurrence or continuance of a Default or any reduction or termination of the Commitments or any of them, (C) any of the matters referred to in clause (e) below or (D) any other circumstance whatsoever.

(vi) If any Lender fails timely to make available to the Administrative Agent for the account of an Issuing Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.02, such Issuing Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such Issuing Lender at a rate per annum equal to the Federal Funds Rate from time to time in effect (without duplication of amounts paid by any Borrower under clause (v) above). A certificate of such Issuing Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(vii) At any time after an Issuing Lender has made an L/C Payment and has received funds from a Lender in respect of such payment in accordance with Section 2.02, if the Administrative Agent receives for the account of such Issuing Lender any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from a Borrower or otherwise, including proceeds of cash collateral applied thereto by the Administrative Agent), the Administrative Agent will promptly distribute

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to such Lender its prorata share thereof in the same funds as those received by the Administrative Agent.

(e)Borrowers Obligations Unconditional. The joint and several obligation of the Borrowers to reimburse each Issuing Lender for each L/C Payment under each Letter of Credit shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances whatsoever, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, any Loan Document or any other agreement or instrument relating thereto;

(ii) the existence of any claim, counterclaim, set-off, defense or other right that the Borrower may have at any time against any beneficiary of such Letter of Credit (or any Person for whom any such beneficiary may be acting), such Issuing Lender or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto; or

(iii) any sight draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect, or any loss or delay in the transmission or otherwise of any document required in order to obtain an L/C Payment under such Letter of Credit; or

(iv) any payment by such Issuing Lender under such Letter of Credit against presentation of a sight draft or certificate that does not strictly comply with the terms of such Letter of Credit or any payment made by such Issuing Lender under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any bankruptcy, insolvency, reorganization or similar law.

(f)Issuing Lender Rights. Each Lender and each Borrower agrees that, in making any L/C Payment under a Letter of Credit, the relevant Issuing Lender shall not have any responsibility to obtain any document (other than any sight draft, certificate and other document expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering the same. None of the Issuing Lenders, the Administrative Agent, any of the respective Related Parties, nor any correspondents, participants or assignees of the Issuing Lender shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Majority Lenders, as applicable, (ii) any action taken or omitted in the absence of bad faith, gross negligence or willful misconduct, or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or L/C Related Document. None of the Issuing Lenders, the Administrative Agent, any of the respective Related Parties, nor any correspondents, participants or assignees of the Issuing Lender, shall be liable or responsible for any of the matters described in Section 2.02(e); provided that anything

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therein or elsewhere in this Agreement to the contrary notwithstanding, the Borrowers may have a claim against an Issuing Lender, and such Issuing Lender may be liable to the Borrowers, to the extent, but only to the extent, of any direct (as opposed to special, indirect, consequential or punitive) damages suffered by the Borrowers which were directly caused by such Issuing Lender's bad faith, willful misconduct or gross negligence as determined by a final and nonappealable ruling of a court of competent jurisdiction. In furtherance and not in limitation of the foregoing, each Issuing Lender may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

(g)Applicability of ISP98. Unless otherwise expressly agreed by an Issuing Lender and the requesting Borrower when a Letter of Credit is issued, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance) shall apply to each Letter of Credit.

#### SECTION 2.03. Fees.

(a)Agency Fee. The Borrowers jointly and severally agree to pay to the Administrative Agent, for the Administrative Agent's own account, an administrative agency fee at the times and in the amounts as agreed in writing by KCMH and the Administrative Agent.

(b)Facility Fee. The Borrowers jointly and severally agree to pay to the Administrative Agent, for the account of each Lender, a facility fee on the amount of the Commitment of such Lender for each day during the period from the date hereof until the Commitment Termination Date, at the rate per annum described in the fee schedule set forth on Annex A, payable quarterly in arrears on the entire Aggregate Facility Amount (irrespective of usage) on the last Business Day of March, June, September and December of each year, on the Commitment Termination Date and on the date of termination of the Commitments.

(c)Letter of Credit Fees.

(i) The Borrowers jointly and severally agree to pay to the Administrative Agent, for the pro rata account of the Lenders based on their respective Commitment Percentages, a commission on the average daily undrawn amount of each outstanding Letter of Credit at a rate equal to the Applicable Margin then in effect for Loans (minus the amount of the fronting fee referred to below), payable quarterly in arrears on the last Business Day of March, June, September and December of each year and on the Commitment Termination Date, commencing on the first such date after the date hereof.

(ii) The Borrowers jointly and severally agree to pay to each Issuing Lender, for the sole account of such Issuing Lender, (x) a fronting fee with respect to each Letter of Credit issued by such Issuing Lender, payable quarterly in arrears on the last Business Day of each March, June, September and December and on the Commitment Termination Date, in an amount equal to [\*\*]% per annum of the average daily available amount of such Letter of Credit and (y) such customary fees and charges in connection with the issuance or administration of each Letter of Credit issued by such Issuing Lender as may be agreed in writing between KCMH and such Issuing Lender

*[\*\*] = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

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from time to time. The Issuing Lender will notify the Borrowers of any and all such fees and charges payable under this Section.

(d) Other Fees. The Borrower shall pay to the Administrative Agent and the Lead Arranger for their own respective accounts such other fees in the amounts and at the times as may be agreed in writing between KCMH and the Administrative Agent and/or the Lead Arranger.

#### SECTION 2.04. Changes of Commitments.

(a) Commitment Termination Date. The Commitment of each Lender shall be automatically reduced to zero on the Commitment Termination Date.

(b) Commitment Termination or Reduction. KCMH shall have the right, upon at least three Business Days' notice to the Administrative Agent, to terminate in whole or reduce ratably in part the unused portions of the Commitments; provided, that (i) each partial reduction shall be in a minimum aggregate amount of \$5,000,000 and (ii) after giving effect to such termination or reduction, (A) the Total Credit Exposure does not exceed the Aggregate Facility Amount and (B) the L/C Exposure does not exceed the Letter of Credit Facility Amount. Once terminated or reduced, the Commitments may not be reinstated.

#### SECTION 2.05. Concerning Joint and Several Liability of the Borrowers.

(a) Each of the Borrowers is accepting joint and several liability hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Lenders and the Administrative Agent under this Agreement, for the mutual benefit, directly and indirectly, of each of the Borrowers and in consideration of the undertakings of each other Borrower to accept joint and several liability for the Obligations.

(b) Each of the Borrowers, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a primary obligor and co-debtor, joint and several liability with each other Borrower, with respect to the payment and performance of all of the Obligations (including, without limitation, any Obligations arising under this Section 2.05), it being the intention of the parties hereto that all the Obligations shall be the joint and several obligations of each of the Borrowers without preferences or distinction among them.

(c) If and to the extent that any of the Borrowers shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the Obligations in accordance with the terms thereof, then, in each such event, the other Borrowers will make such payment with respect to, or perform, such Obligation.

(d) The Obligations of each of the Borrowers under the provisions of this Section 2.05 constitute the full recourse Obligations of each of the Borrowers enforceable against each such Person to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of this Agreement or the other Loan Documents or any other circumstance whatsoever.

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(e) Except as otherwise expressly provided herein, each Borrower hereby waives promptness, diligence, presentment, demand, protest, notice of acceptance of its joint and several liability, notice of any and all advances of the Loans made under this Agreement and any promissory note issued hereunder, notice of occurrence of any Default or Event of Default (except to the extent notice is expressly required to be given pursuant to the terms of this Agreement or any of the other Loan Documents), or of any demand for any payment under this Agreement, notice of any action at any time taken or omitted by the Administrative Agent or the Lenders under or in respect of any of the Obligations hereunder, any requirement of diligence and, generally, all demands, notices and other formalities of every kind in connection with this Agreement and the other Loan Documents. Each Borrower hereby waives all defenses which may be available by virtue of any valuation, stay, moratorium law or other similar law now or hereafter in effect, any right to require the marshaling of assets of the Borrowers and any other entity or Person primarily or secondarily liable with respect to any of the Obligations, and all surety ship defenses generally. Each Borrower hereby assents to, and waives notice of, any extension or postponement of the time for the payment, or place or manner for payment, compromise, refinancing, consolidation or renewals of any of the Obligations hereunder, the acceptance of any partial payment thereon, any waiver, consent or other action or acquiescence by the Administrative Agent and the Lenders at any time or times in respect of any default by any Borrower in the performance or satisfaction of any term, covenant, condition or provision of this Agreement and the other Loan Documents, any and all other indulgences whatsoever by the Administrative Agent and the Lenders in respect of any of the Obligations hereunder, and the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of such Obligations or the addition, substitution or release, in whole or in part, of any Borrower or any other entity or Person primarily or secondarily liable for any Obligation. Each Borrower further agrees that its Obligations shall not be released or discharged, in whole or in part, or otherwise affected by the adequacy of any rights which the Administrative Agent or any Lender may have against any collateral security, guaranty or other means of obtaining repayment of any of

the Obligations, the impairment of any collateral security securing or guaranty supporting the Obligations, including, without limitation, the failure to protect or preserve any rights which any Administrative Agent or any Lender may have in such collateral security or guaranty or the substitution, exchange, surrender, release, loss or destruction of any such collateral security, any other act or omission which might in any manner or to any extent vary the risk of such Borrower, or otherwise operate as a release or discharge of such Borrower, all of which may be done without notice to such Borrower. If for any reason any other Borrower has no legal existence or is under no legal obligation to discharge any of the Obligations, or if any of the Obligations have become irrecoverable from any other Borrower by reason of such other Borrower's insolvency, bankruptcy or reorganization or by other operation of law or for any reason, this Agreement and the other Loan Documents to which it is a party shall nevertheless be binding on such Borrower to the same extent as if such Borrower at all times had been the sole obligor on such Obligations. Without limiting the generality of the foregoing, each Borrower assents to any other action or delay in acting or failure to act on the part of the Administrative Agent and the Lenders, including, without limitation, any failure strictly or diligently to assert any right or to pursue any remedy or to comply fully with applicable laws or regulations thereunder which might, but for the provisions of this [Section 2.05](#), afford grounds for terminating, discharging or relieving such Borrower, in whole or in part, from any of its obligations under this [Section 2.05](#), it being the intention of each Borrower that, so long as any of

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the Obligations hereunder remain unsatisfied, the obligations of such Borrower under this [Section 2.05](#) shall not be discharged except by performance and then only to the extent of such performance. The Obligations of each Borrower under this [Section 2.05](#) shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, reconstruction or similar proceeding with respect to any reconstruction or similar proceeding with respect to any other Borrower, or any of the Lenders. The joint and several liability of the Borrowers hereunder shall continue in full force and effect notwithstanding any absorption, merger, amalgamation or any other change whatsoever in the name, ownership, membership, constitution or place of formation of any Borrower or the Lenders. Each of the Borrowers acknowledges and confirms that it has itself established its own adequate means of obtaining from the other Borrowers on a continuing basis all information desired by such Borrower concerning the financial condition of the other Borrowers and that each such Borrower will look to the other Borrowers and not to the Administrative Agent or any Lender in order for such Borrower to keep adequately informed of changes in the other Borrowers' respective financial conditions.

(f) The provisions of this [Section 2.05](#) are made for the benefit of the Lenders and the Administrative Agent and their respective permitted successors and assigns, and may be enforced by it or them from time to time against any or all of the Borrowers as often as occasion therefor may arise and without requirement on the part of the Lenders, the Administrative Agent or such successor or assign first to marshal any of its or their claims or to exercise any of its or their rights against the other Borrowers or to exhaust any remedies available to it or them against any other Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this [Section 2.05](#) shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied and all Commitments terminated. If at any time, any payment, or any part thereof made in respect of any of the Obligations, is rescinded or must otherwise be restored or returned by any Lender or the Administrative Agent upon the insolvency, bankruptcy or reorganization of any of the Borrowers, or otherwise, the provisions of this [Section 2.05](#) will forthwith be reinstated in effect, as though such payment had not been made.

(g) Each of the Borrowers hereby agrees that it will not enforce any of its rights of reimbursement, contribution, subrogation or the like against any other Borrower with respect to any liability incurred by it hereunder or under any of the other Loan Documents, any payments made by it to any of the Lenders or the Administrative Agent with respect to any of the Obligations or any collateral security therefor until such time as all of the Obligations have been indefeasibly paid in full in cash and all Commitments terminated. Any claim which any Borrower may have against any other Borrower with respect to any payments to the Lenders or the Administrative Agent hereunder or under any other Loan Documents are hereby expressly made subordinate and junior in right of payment, without limitation as to any increases in the Obligations arising hereunder or thereunder, to the prior payment in full of the Obligations and, in the event of any insolvency, bankruptcy, receivership, liquidation, reorganization or other similar proceeding under the laws of any jurisdiction relating to any Borrower, its debts or its assets, whether voluntary or involuntary, all such Obligations shall be paid in full before any payment or distribution of any character, whether in cash, securities or other property, shall be made to any other Borrower therefor.

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(h) Each of the Borrowers hereby agrees that the payment of any amounts due with respect to the indebtedness owing by any Borrower to any other Borrower is hereby subordinated to the prior payment in full in cash of the Obligations and the termination of the all Commitments. Each Borrower hereby agrees that after the occurrence and during the continuance of any Event of Default, unless the Administrative Agent otherwise agrees, such Borrower will not demand, sue for or otherwise attempt to collect any indebtedness of any other Borrower owing to such Borrower until the Obligations shall have been paid in full in cash. If, notwithstanding the foregoing sentence, such Borrower shall collect, enforce or receive any amounts in respect of such indebtedness, such amounts shall be collected, enforced and received by such Borrower as trustee for the Administrative Agent on account of the Obligations and shall be paid promptly after receipt to the Administrative Agent.

#### SECTION 2.06. [Contribution.](#)

(a) To the extent that any Borrower shall make a payment under [Section 2.05](#) of all or any of the Obligations (other than Loans made to that Borrower for which it is primarily liable) (a "[Support Payment](#)") that, taking into account all other Support Payments then previously or concurrently made by any other Borrower, exceeds the amount that such Borrower would otherwise have paid if each Borrower had paid the aggregate Obligations satisfied by such Support Payment in the same portion that such Borrower's Allocable Amount (as determined immediately prior to such Support Payment) bore to the aggregate Allocable Amounts of each of the Borrowers as determined immediately prior to the making of such Support Payment, then, following indefeasible payment in full in cash of the Obligations and termination of the Commitments, such Borrower shall be entitled to receive contribution and indemnification payments

from, and be reimbursed by, the other Borrowers for the net amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Support Payment.

(b) As of any date of determination, the "Allocable Amount" of any Borrower shall be equal to the maximum amount of the claim that could then be recovered from such Borrower under Section 2.06(a) without rendering such claim voidable or avoidable under Section 548 of Chapter 11 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law.

(c) This Section 2.06 is intended only to define the relative rights of Borrowers and nothing set forth in this Section 2.06 is intended or shall impair the obligations of the Borrowers, jointly and severally, to pay any amounts as and when the same shall become due and payable in accordance with the terms of this Agreement, including Section 2.05. Nothing contained in this Section 2.06 shall limit the liability of any Borrower to pay the Loans or L/C Reimbursement Obligations made directly or indirectly to or for the benefit of that Borrower and accrued interest, fees and expenses with respect thereto for which such Borrower shall be primarily liable.

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(d) The parties hereto acknowledge that the rights of contribution and indemnification of any Borrower under this Section 2.06 shall constitute assets of such Borrower.

(e) The rights of an indemnifying Borrower against the other Borrowers under this Section 2.06 shall be exercisable upon the full and indefeasible payment of the Obligations and the termination of Commitments.

### ARTICLE III PAYMENTS

SECTION 3.01. Repayment. Each Borrower agrees to repay the full principal amount of each Loan by each Lender, and each such Loan shall mature, on the Commitment Termination Date.

#### SECTION 3.02. Interest.

(a) Ordinary Interest. The Borrowers jointly and severally agree to pay interest on the unpaid principal amount of each Loan, from the date of such Loan until such principal amount shall be paid in full, at the following rates per annum:

(i) ABR Loans. While such Loan is an ABR Loan, a rate per annum equal to the ABR in effect from time to time plus the Applicable Margin as in effect from time to time, interest under this clause (i) to be payable quarterly in arrears on the last Business Day of each March, June, September and December and on the date such ABR Loan shall be Converted and on the date of each payment of principal thereof.

(ii) Term Benchmark Loans. While such Loan is a Term Benchmark Loan (x) denominated in Dollars, a rate per annum for each such Interest Period for such Loan equal to Term SOFR for such Interest Period plus the Applicable Margin as in effect from time to time and (y) denominated in Euros, a rate per annum for each such Interest Period for such Loan equal to the EURIBOR Rate, and in each case, interest under this clause (ii) to be payable on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on the date three months after the first day of such Interest Period, and on each date on which such Term Benchmark Loan shall be Continued or Converted and on the date of each payment of principal thereof.

(iii) RFR Loans. While such Loan is a RFR Loan, a rate per annum equal to the applicable Daily Simple RFR in effect from time to time plus the Applicable Margin as in effect from time to time, interest under this clause (iii) to be payable quarterly in arrears on the last Business Day of each March, June, September and December and on the date such RFR Loan shall be Converted and on the date of each payment of principal thereof.

(b) Default Interest. Notwithstanding the foregoing, the Borrowers jointly and severally shall pay interest on:

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(i) any principal of any Loan that is not paid when due (whether at scheduled maturity or otherwise), payable on demand and in any event on the date such amount shall be paid, at a rate per annum equal at all times to two percent (2%) per annum above the rate per annum required to be paid on such Loan pursuant to said Section 3.02(a)(i) or (a)(ii), as applicable; and

(ii) any interest, fee or other amount thereof (other than any principal) that is not paid when due, from the due date thereof until such amount shall be paid, payable on demand and in any event on the date such amount shall be paid in full, at a rate per annum equal at all times to two percent (2%) per annum above the rate per annum then required to be paid on ABR Loans.

#### SECTION 3.03. [Reserved].

#### SECTION 3.04. Interest Rate Determinations.

(a) Notice of Interest Rates. The Administrative Agent shall give prompt notice to KCMH and the Lenders of the applicable interest rates determined by the Administrative Agent.

(b) Inability to Determine Rates. Subject to clause (c) of this Section 3.04, if the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (x)(i) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining Term SOFR or the EURIBOR Rate (including because the Screen Rate is not available or published on a current basis for such Interest Period), for the applicable Specified Currency and such Interest Period or (ii) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Daily Simple RFR for the applicable Specified Currency or (y) the Majority Lenders notify the Administrative Agent that (i) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, Term SOFR or the EURIBOR Rate, as applicable, for such Loans will not fairly reflect the cost to such Majority Lenders of making, funding or maintaining their respective Term Benchmark Loans or (ii) at any time, the applicable Daily Simple RFR will not fairly reflect the cost to such Majority Lenders of making, funding or maintaining their respective RFR Loans, the Administrative Agent shall so notify KCMH and the Lenders, whereupon the Administrative Agent will promptly so notify the Borrower and each Lender and:

- (i) any Notice of Borrowing requesting a Borrowing comprised of Term Benchmark or RFR Loans, as applicable, shall be ineffective;
- (ii) each Term Benchmark Loan will automatically, on the last day of the then current Interest Period and each RFR Loan will automatically, on the last day of the then current calendar quarter, as applicable, be Converted into an ABR Loan; and
- (iii) the obligation of the Lenders to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended until the Administrative Agent shall notify KCMH and such Lenders that the circumstances causing such suspension no longer exist.

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(c) Benchmark Replacement Setting.

(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedging Agreement shall be deemed not to be a "Loan Document" for purposes of this 3.04(c)), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the relevant then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided by the Administrative Agent to the Lenders and the Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Majority Lenders. If the Benchmark Replacement is Daily Simple RFR denominated in Dollars, all interest payments will be payable on a quarterly basis.

(ii) Benchmark Replacement Conforming Changes. In connection with the use, implementation or administration of Term SOFR or the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent, in consultation with the Borrower, will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document (other than as provided in the definition of Benchmark Replacement Conforming Changes).

(iii) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (u) any occurrence of a Benchmark Transition Event, (v) the occurrence of a Benchmark Replacement Date, (w) the implementation of any Benchmark Replacement, (x) the effectiveness of any Benchmark Replacement Conforming Changes, (y) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (iv) below and (z) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent, the Borrower or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.04(c), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest

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error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 3.04(c).

(iv) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (x) if a then-current Benchmark is a term rate (including the Term SOFR Reference Rate or EURIBOR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark (1) is no longer representative or will no longer be representative as of a specified date or (2) will cease to be provided by the administrator permanently or indefinitely as of a specified date, then the Administrative Agent may modify the definition of "Interest Period" for any setting of such Benchmark at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (y) if a tenor that was removed pursuant to clause (x) above either (A) is subsequently displayed on a screen or information service for such Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is no longer or will no longer be representative for such Benchmark (including a Benchmark Replacement) or will cease to be provided by the administrator, then the Administrative Agent may modify the definition of "Interest Period" for all settings of such Benchmark at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a borrowing of Term Benchmark Loans or RFR Loans, or Conversion to or Continuation of Term Benchmark Loans to be made, Converted or Continued in the relevant then-current Benchmark during any Benchmark Unavailability Period and, failing that, either (x) the Borrower will be deemed to have Converted any request for a borrowing of Term Benchmark Loans denominated in Dollars into a request for a borrowing of or Conversion to an ABR Borrowing and (y) any request for a borrowing of Term Benchmark Loans or RFR Loans denominated in an Alternate Currency shall be ineffective. Furthermore, if any Term Benchmark Loan or RFR Loan in any Specified Currency is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with



respect to a Relevant Rate applicable to such Term Benchmark or RFR Loan, then until such time as a Benchmark Replacement for such Specified Currency is implemented pursuant to this Section 3.04(c), (x) if such Loan is denominated in Dollars, then (A) any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, an ABR Loan and (B) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan, (y) if such Loan is denominated in any Alternate Currency, then (A) any Term Benchmark Loan shall, on the last day of the Interest Period

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applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day) bear interest at the Central Bank Rate for the applicable Alternate Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Alternate Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Alternate Currency shall, at the Borrower's election prior to such day: (a) be prepaid by the Borrower on such day or solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Alternate Currency shall be deemed to be a Term Benchmark Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Term Benchmark Loans denominated in Dollars at such time and (B) any RFR Loan shall bear interest at the Central Bank Rate for the applicable Alternate Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Alternate Currency cannot be determined, any outstanding affected RFR Loans denominated in any Alternate Currency, at the Borrower's election, shall either (A) be converted into ABR Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternate Currency) immediately or (B) be prepaid in on the last day of such calendar quarter.

(d) Certain Mandatory Conversions.

(i) Upon the occurrence and during the continuance of any Event of Default, (x) each Term Benchmark Loan will automatically, on the last day of the then current Interest Period, and each RFR Loan will automatically, on the last day of the then current calendar quarter, as applicable, therefor, be Converted into an ABR Loan and (y) the obligation of the Lenders to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended.

(ii) If this Agreement shall require that any Term Benchmark Loan or RFR Loan be Converted to an ABR Loan and such Term Benchmark Loan or RFR Loan is denominated in an Alternate Currency, the Borrowers jointly and severally shall on the last day of the current Interest Period (in the case of a Term Benchmark Loan) or calendar quarter (in the case of a RFR Loan), as applicable, pay or prepay the full amount of such Term Benchmark Loan or RFR Loan, as applicable (provided, that the foregoing shall not prevent the Borrower from borrowing additional Loans to the extent otherwise permitted hereunder).

SECTION 3.05. Voluntary Conversion or Continuation of Loans.

(a) Conversions. The requesting Borrower may on any Business Day, upon written notice (or telephonic notice promptly confirmed in writing) given to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of the proposed Conversion, Convert all or any portion of the outstanding Loans of one Type

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comprising part of the same Borrowing into Loans of the other Type; provided that in the case of any such Conversion of a Term Benchmark Loan into an ABR Loan on a day other than the last day of an Interest Period, the Borrowers jointly and severally shall promptly reimburse the Lenders the amounts provided in Section 3.12 relating to such prepayment. Each such notice of a Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the Loans to be Converted, and (z) if such Conversion is into Term Benchmark Loans, the duration of the initial Interest Period for each such Loan. Each notice of Conversion shall be irrevocable and binding on the Borrowers.

(b) Continuations. The requesting Borrower may, on any Business Day, upon written notice (or telephonic notice promptly confirmed in writing) given to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of the proposed Continuation, Continue all or any portion of the outstanding Term Benchmark Loans comprising part of the same Borrowing for one or more Interest Periods. Each such notice of a Continuation shall, within the restrictions specified above, specify (i) the date of such Continuation, (ii) the Term Benchmark Loans to be Continued and (y) the duration of the next such Interest Period for such Term Benchmark Loans subject to such Continuation. Each notice of Continuation shall be irrevocable and binding on the Borrowers.

SECTION 3.06. Prepayments of Loans.

(a) Optional Prepayment. The requesting Borrower may, on notice (given not later than 11:00 a.m. (New York time) on the Business Day of the proposed prepayment of Loans, with respect to ABR Loans, and on the third Business Day prior to the date of prepayment with respect to Term Benchmark Loans or RFR Loans) stating the proposed date and aggregate principal amount (stated in Dollars) of the prepayment, and if such notice is given the Borrowers jointly and severally shall, prepay the outstanding principal amounts of the Loans comprising part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (i) each partial prepayment shall be in an aggregate principal amount not less than \$5,000,000 or integral multiples of \$1,000,000 in excess thereof (or, in the case of Loans denominated in an Alternate Currency, the Alternate Currency Equivalent thereof in such Alternate Currency) and (ii) in the case of any such prepayment of a Term Benchmark Loan on a day other than the last day of an Interest Period therefor, the Borrowers jointly and severally shall reimburse the Lenders the amounts provided in Section 3.12 relating to such prepayment.

(b) Alternate Currency Revaluation. If at any time by reason of fluctuations in foreign exchange rates the Total Credit Exposure exceeds 105% of the then aggregate amount of the Commitments, and the Majority Lenders so request, the Administrative Agent shall use all reasonable efforts to give prompt written notice thereof to KCMH, specifying the amount to be prepaid under this clause

(b), and the Borrowers jointly and severally shall prepay Loans or, if no Loans are outstanding, provide cash collateral for or otherwise backstop outstanding Letters of Credit on terms reasonably satisfactory to KCMH, the Issuing Lender and the Administrative Agent, in such aggregate amount as may be required to cause the Total Credit Exposure (treating such cash collateralization or other backstopping for purposes hereof as a reduction in such Total Credit Exposure) to be equal to or less than the aggregate amount of the Commitments, such

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payments or other measures to be made within 10 Business Days of demand or, in the case of prepayment of Term Benchmark Loans, on the date that is the earlier of (i) the last day of the then current Interest Period therefor and (ii) the last Business Day of the first full calendar month after such revaluation, provided that any such prepayment shall be accompanied by any amounts payable under Section 3.12. The determinations of the Administrative Agent hereunder shall be conclusive and binding on the Borrowers in the absence of manifest error.

SECTION 3.07. Payments; Computations; Etc.

(a) Pro Rata Payments. The Loans comprising each Borrowing shall be made prorata among the Lenders based on their respective Commitment Percentages. Except as otherwise provided hereunder, all payments of principal of and interest on the Loans shall be made for the prorata account of the Lenders based on the respective outstanding principal amounts thereof, and all payments of commitment fees and letter of credit commission shall be made for the prorata account of the Lenders based on their respective Commitment Percentages.

(b) Lenders' Obligations Several. The obligations of the Lenders under this Agreement are several and the failure of any Lender to make any Loan or any payment required to be made by it hereunder shall not relieve any other Lender of its obligations hereunder, nor shall any Lender be responsible for any other Lender's failure to make any Loan required to be made by such other Lender.

(c) Currencies. All payments by the Borrower of or in respect of principal of and interest on and other amounts directly relating to any Loan that are denominated in an Alternate Currency shall be made in such Alternate Currency. All payments of principal and interest on any Loan denominated in Dollars, all payments in respect of any Letter of Credit, and all payments of fees payable pursuant to Section 2.03(c), commitment fees and agency fees hereunder and all other payments by any Borrower provided for in this Agreement, except as provided in the preceding sentence, shall be made in Dollars.

(d) Payments.

(i) The Borrowers shall make each payment hereunder and under each other Loan Document without set-off, counterclaim or deduction of any kind to the Administrative Agent at the Administrative Agent's Account in the Principal Financial Center for the relevant Currency not later than 11:00 a.m. Local Time on the due date of such payment (each such payment made after such time on such date to be deemed to have been made on the next Business Day).

(ii) The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest ratably to the Lenders as provided in Section 3.07(a) for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Assumption and recording of the information contained therein in the Register pursuant to Section 9.06(c), from and after the assignment date set forth

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therein, the Administrative Agent shall remit all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Assumption shall make all appropriate adjustments in such payments for periods prior to such assignment date directly between themselves.

(e) Computations. All computations of interest based on the ABR (except any Federal Funds Rate component thereof) or the SONIA Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable. All computations of interest based on the Term SOFR Reference Rate, Daily Simple RFR with respect to Dollars or the Federal Funds Rate and of commitment fee shall be made by the Administrative Agent, and any computations of amounts payable pursuant to Section 3.03, shall be made on the basis of a year of 360 days, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or other amount is payable. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(f) Payment Dates. Whenever any payment hereunder or under the Notes would be due on a day other than a Business Day, such due date shall be extended to the next succeeding Business Day, and any such extension of such due date shall in such case be included in the computation of interest; provided, that if such extension would cause payment of principal or interest in respect of Term Benchmark Loans or RFR Loans to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(g) Presumption by Administrative Agent.

(i) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed time of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made its share available at such time in accordance with Section 2.01(b) and may (but shall not be obligated), in reliance upon such assumption, make available to a Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then (A) the applicable Lender, on one hand, and (B) the Borrowers on a joint and several basis on the other hand, severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to a Borrower to but excluding the date of payment to the Administrative Agent, at (x) in the case of a payment to be made by such Lender, the greater of (i) the Federal Funds Rate and



(II)(a) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (if such Loan is denominated in Dollars), (b) at the overnight London interbank offered rate for the relevant Currency (if such Loan is denominated in an Alternate Currency, other than Sterling) or (c) at SONIA Rate if such Loan is denominated in Sterling and (y) in the case of a payment to be made by a Borrower, the interest rate applicable to ABR Loans. If a Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to such Borrower the amount of

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such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by a Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Unless the Administrative Agent shall have received notice from KCMH prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may (but shall not be obligated), in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of (x) the Federal Funds Rate and (y)(i) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (if such Loan is denominated in Dollars), (ii) at the EURIBOR Rate if such Loan is denominated in Euros or (iii) at SONIA Rate if such Loan is denominated in Sterling.

SECTION 3.08. Sharing of Payments, Etc. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations greater than its prorata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided, that:

(i) if any such participation is purchased and all or any portion of the related payment is recovered, such participation shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this subsection shall not be construed to apply to (x) any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans other than to a Borrower or any Subsidiary thereof (as to which the provisions of this subsection shall apply).

The Borrowers consent to the foregoing and agree, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrowers, jointly and severally, rights of setoff and counterclaim with

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respect to such participation as fully as if such Lender were a direct creditor of the Borrowers in the amount of such participation.

#### SECTION 3.09. Increased Costs.

(a) Increased Costs. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.03) or the Issuing Lender; or

(ii) impose on any Lender or the Issuing Lender or applicable offshore interbank market for the applicable Alternate Currency any other condition, cost or expense affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Term Benchmark Loan (or of maintaining its obligation to make any Term Benchmark Loan), or to increase the cost to such Lender or the Issuing Lender of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the Issuing Lender hereunder (whether of principal, interest or any other amount) then, from time to time upon request of such Lender or the Issuing Lender, the Borrowers jointly and severally will pay to such Lender or the Issuing Lender such additional amount or amounts as will compensate such Lender or the Issuing Lender, as the case may be, for such additional costs incurred or reduction suffered. This Section 3.09 shall not apply to Excluded Taxes or any matters covered by Section 3.11 relating to Taxes.

(b) Capital Requirements. If any Lender or the Issuing Lender determines that any Change in Law affecting such Lender or the Issuing Lender or any lending office of such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Lender's capital or on the capital of such Lender's or the Issuing Lender's holding company as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letter of Credit issued by the Issuing Lender, to a level below that which such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Lender's policies and the policies of such Lender's or the Issuing Lender's holding company with respect to capital adequacy), then from time to

time upon request of such Lender or the Issuing Lender, the Borrowers jointly and severally will pay to such Lender or the Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company for such reduction.

(c) Certificates for Reimbursement. A certificate of any Lender or the Issuing Lender setting forth the amount or amounts and a reasonable basis for the determination thereof

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necessary to compensate such Lender or the Issuing Lender or its holding company, as the case may be, as specified in clauses (a) or (b) of this Section 3.09 and delivered to KCMH shall be conclusive on all Borrowers absent manifest error. The Borrowers jointly and severally shall pay such Lender or the Issuing Lender, as the case may be, the amount shown as due on any such certificate within 10 Business Days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the Issuing Lender to demand compensation pursuant to this Section 3.09 shall not constitute a waiver of such Lender's or the Issuing Lender's right to demand such compensation, provided, that the Borrowers shall not be required to compensate a Lender or the Issuing Lender pursuant to this Section for any increased costs incurred or reductions suffered more than 180 days prior to the date that such Lender or the Issuing Lender, as the case may be, notifies KCMH of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof).

SECTION 3.10. Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other Governmental Authority asserts that it is unlawful, for such Lender or its Lending Office to perform its obligations hereunder to make or continue Term Benchmark Loans or RFR Loans or to fund or otherwise maintain Term Benchmark Loans or RFR Loans hereunder, (a) the obligation of such Lender to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended until the Administrative Agent shall notify KCMH and the Lenders that the circumstances causing such suspension no longer exist and (b) each Term Benchmark Loan or RFR Loan of such Lender shall Convert into an ABR Loan at the end of the then current Interest Period for such Term Benchmark Loan, as applicable, if such Lender may lawfully continue to maintain such Term Benchmark Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term Benchmark Loans.

SECTION 3.11. Taxes.

(a) All payments on account of the principal of and interest on the Loans and the Notes, fees and all other amounts whatsoever payable by the Borrowers under the Loan Documents shall be made free and clear of and without reduction or liability for any Taxes, except as required by applicable law, decree or regulation.

(b) In the event that any Borrower or the Administrative Agent shall be required by applicable law, decree or regulation to deduct or withhold any Tax from any amounts payable to the Administrative Agent or any Lender on, under or in respect of this Agreement, the Loans or any Loan Document, the Borrowers jointly and severally shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, decree or regulation and, if such Tax is an Indemnified Tax, then the Borrowers jointly and severally shall promptly pay such recipient such additional amounts as may be required, after the deduction or withholding of

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Indemnified Taxes, to enable such recipient to receive from the Borrowers on the due date thereof an amount equal to the full amount stated to be payable to such recipient.

(c) The Borrowers jointly and severally shall indemnify the Administrative Agent and each Lender (including each Issuing Lender) against, and reimburse them upon demand for, any incremental Taxes, interest or penalties, that they may incur at any time arising out of or in connection with any such failure of the Borrowers to make any payment of Indemnified Taxes when due.

(d) KCMH shall furnish to the Administrative Agent original or certified copies of official tax receipts in respect of each payment of Indemnified Taxes required under this Section 3.11, as soon as practicable after the date such payment is made, and the Borrowers shall promptly furnish to the Administrative Agent at its request or at the request of any Lender (through the Administrative Agent) to KCMH any other information, documents and receipts that the Administrative Agent or such Lender may reasonably require to establish that full and timely payment has been made of all Indemnified Taxes required to be paid under this Section 3.11.

(e)

(i) Each Lender or Participant that is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to KCMH and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) two copies of either U.S. Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, Form W-8ECI, Form W-8 IMY, Form W-8 EXP, or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit E-1, Exhibit E-2, Exhibit E-3 or Exhibit E-4, as applicable, and a Form W-8BEN or W-8BEN-E, as applicable, or any subsequent versions thereof or successors thereto, properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on all payments by the Borrower under this Agreement and the other Loan Documents. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation) and from time to time thereafter upon the reasonable request of KCMH or the Administrative Agent.

(ii) Each Lender that is a "U.S. Person" as defined in Section 7701(a)(30) of the Code shall deliver to KCMH and the Administrative Agent (or, in the case of a Participant of a Lender, to such Lender) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of KCMH

or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender or Participant, as applicable, is exempt from U.S. Federal backup withholding tax.

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(iii) If the Administrative Agent is a "U.S. Person" as defined in Section 7701(a)(30) of the Code, then it shall, on or prior to the date of this Credit Agreement (or, in the case of a successor Administrative Agent, on or before the date on which it becomes the Administrative Agent hereunder), provide the Borrowers with a properly completed and duly executed copy of IRS Form W-9 (or any applicable successor form) confirming that the Administrative Agent is exempt from U.S. federal backup withholding. If the Administrative Agent is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code, then it shall, on or prior to the date of this Credit Agreement (or, in the case of a successor Administrative Agent, on or before the date on which it becomes the Administrative Agent hereunder), provide the Borrowers with, (i) with respect to payments made to the Administrative Agent for its own account, a properly completed and duly executed copy of IRS Form W-8ECI (or other applicable IRS Form W-8), and (ii) with respect to payments made to the Administrative Agent on behalf of the Lenders, a properly completed and duly executed IRS Form W-8IMY confirming that the Administrative Agent agrees (A) to be treated as a "United States person" for U.S. federal withholding Tax purposes and the payments it receives for the account of such Lenders are not effectively connected with the conduct of its trade or business in the United States or (B) is a "Qualified Intermediary" for U.S. federal withholding Tax purposes; provided, in each case, that the Administrative Agent shall not be required to deliver any documentation pursuant to this Section 3.11(e)(iii) that it is not legally eligible to deliver as a result of any change in, or in the interpretation by any Governmental Authority of, any law or the method by which such Administrative Agent must comply therewith occurring after the date hereof (or, in the case of a successor Administrative Agent, occurring after the date on which it becomes the Administrative Agent hereunder). Such Administrative Agent agrees that if such documentation previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or promptly notify the Borrowers in writing of its legal inability to do so.

(f) Each Lender shall deliver to any Borrower and the Administrative Agent at the time or times prescribed by applicable law and at such time or times reasonably requested by such Borrower or the Administrative Agent such documentation prescribed by applicable law and such additional documentation reasonably requested by such Borrower or the Administrative Agent as may be necessary for such Borrower or the Administrative Agent to comply with any obligations of such Borrower or the Administrative Agent, or to determine that such Lender has complied with its obligations or to determine the amount to deduct and withhold from any payment, under FATCA or any similar regime arising as a result of the transactions contemplated under any Loan Document. Solely for purposes of this paragraph (f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

In addition, each Lender shall deliver such forms promptly upon the written request of KCMH after the obsolescence or invalidity of any form previously delivered by such Lender under this Section 3.11. Each Lender shall promptly notify KCMH at any time it determines that it is no longer in a position to provide any previously delivered certificate to KCMH (or any other form of certification adopted by the U.S. taxing authorities for such purpose).

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Notwithstanding any other provision of this paragraph, a Lender shall not be required to deliver any form pursuant to this paragraph that such Lender is not legally able to deliver.

(g) A Lender that is entitled to an exemption from or reduction of non-U.S. withholding tax under the law of the jurisdiction in which a Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to KCMH (with a copy to the Administrative Agent), on or prior to the date on which such Lender becomes a Lender under this Agreement or at the time or times prescribed by applicable law or reasonably requested by KCMH, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate, provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender's judgment such completion, execution or submission would not materially prejudice the legal position of such Lender.

(h) If the Administrative Agent, any Lender or the Issuing Lender determines, in its sole discretion, that it has received a refund or credit (in lieu of such refund) of any Taxes or Other Taxes as to which it has been indemnified by the Borrowers or with respect to which a Borrower has paid additional amounts pursuant to this Section 3.11, it shall pay to such Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Borrower under this Section 3.11 with respect to the Taxes or Other Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses of the Administrative Agent, any Lender or the Issuing Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Borrower, upon the request of the Administrative Agent, any Lender or the Issuing Lender, agrees to repay the amount paid over to such Borrower to the Administrative Agent, any Lender or the Issuing Lender in the event the Administrative Agent, any Lender or the Issuing Lender is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent, any Lender or the Issuing Lender to make available its tax returns or its books or records (or any other information relating to its taxes that it deems confidential) to any Borrower or any other Person.

(i) Notwithstanding anything in this Agreement to the contrary, if pursuant to this Section 3.11 a Borrower is required to pay to or for the account of any Lender any additional amounts, then such Lender shall use commercially reasonable efforts to change the jurisdiction of its Applicable Lending Office if, in the sole and absolute judgment of such Lender, such change (i) would eliminate or reduce any such excess additional amounts and (ii) would not otherwise be materially disadvantageous to such Lender.

**SECTION 3.12. Break Funding Payments.** The Borrowers jointly and severally agree to indemnify each Lender and to hold each Lender harmless from any loss, cost or expense incurred by such Lender which is in the nature of funding breakage costs or costs of liquidation or redeployment of deposits or other funds and any other related expense (but excluding loss of margin or other loss of anticipated profit), which such Lender may sustain or incur as a consequence of (a) default by any Borrower in making any Borrowing of

Term Benchmark Loans after a Borrower has given a Notice of Borrowing requesting the same in accordance with the provisions of this Agreement (including as a result of any failure to fulfill,

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on or before the date specified in such Notice of Borrowing, the applicable conditions set forth in Article IV), (b) default by any Borrower in making any prepayment of any Term Benchmark Loan when due after such Borrower has given notice thereof in accordance with this Agreement, (c) the making by any Borrower of a prepayment of any Term Benchmark Loan on a day which is not the last day of an Interest Period with respect thereto, (d) default by any Borrower in payment when due of the principal of or interest on any Term Benchmark Loan, (e) the Conversion or Continuation of any Term Benchmark Loan on a day other than on the last day of an Interest Period with respect thereto, and (f) any assignment such Lender is required to make pursuant to Section 3.13(b) if such Lender holds Term Benchmark Loans at the time of such assignment. A certificate of any Lender setting forth any amount or amounts and a reasonable basis for the determination thereof that such Lender is entitled to receive pursuant to this Section and delivered to KCMH shall be conclusive absent manifest error. The Borrowers jointly and severally shall pay to such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

**SECTION 3.13. Mitigation Obligations; Replacement of Lenders.**

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.09, or requires any Borrower to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.11, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, if, in the sole and absolute judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.09 or 3.11, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.09, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.11, or if any Lender becomes a Defaulting Lender, or if any Lender has failed to consent to a proposed amendment, waiver, discharge or termination that, pursuant to the terms of Section 9.01, requires the consent of all of the Lenders or all of the Lenders affected (and such Lender is an affected Lender) and with respect to which the Majority Lenders shall have granted their consent, then such Borrower may, at the Borrowers' joint and several sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 9.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

- (i) no Default or Event of Default has occurred and is continuing on and as of the date of such notice and the date of such assignment;
- (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including

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any amounts under Section 3.12) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

- (iii) in the case of any such assignment resulting from a claim for compensation under Section 3.09 or payments required to be made pursuant to Section 3.11, such assignment will result in a reduction in such compensation or payments thereafter; and

- (iv) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling a Borrower to require such assignment and delegation cease to apply. A Lender so replaced shall not be required to pay the processing and recordation fee referred to in Section 9.06(b).

**SECTION 3.14. Defaulting Lenders.**

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

- (i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Majority Lenders.

- (ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.03 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Lender hereunder; *third*, to cash collateralize the Issuing Lenders' L/C Exposure with respect to such Defaulting Lender; *fourth*, as any Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and KCMH, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize the Issuing Lender's future L/C Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement; *sixth*, to the payment of any amounts owing to the Lenders or the Issuing Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the Issuing Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so

long as no Default or Event of Default exists, to the payment of any amounts owing to any Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Payments in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Payments owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Payments owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Reimbursement Obligations are held by the Lenders pro rata in accordance with their Commitments without giving effect to Section 3.14(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 3.14(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii)Certain Fees. Each Defaulting Lender shall be entitled to receive the facility fee pursuant to Section 2.03(b) for any period during which that Lender is a Defaulting Lender only to extent allocable to the sum of (1) the outstanding principal amount of the Loans funded by it, and (2) its Commitment Percentage of the stated amount of Letters of Credit for which it has provided cash collateral. Each Defaulting Lender shall be entitled to receive letter of credit fees pursuant to Section 2.03(c) for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Commitment Percentage of the stated amount of Letters of Credit for which it has provided cash collateral pursuant to the terms hereof. With respect to any facility fee or letter of credit fee not required to be paid to any Defaulting Lender pursuant to this Section 3.14(a)(iii), the Borrowers jointly and severally shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in Letters of Credit that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Issuing Lender the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to the Issuing Lender's L/C Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv)Reallocation of Participations to Reduce L/C Exposure. All or any part of such Defaulting Lender's participation in Letters of Credit shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Commitment Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (x), if requested by the applicable Issuing Lender, the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrowers shall have otherwise notified the Administrative Agent at such time, the Borrowers shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the aggregate of the

Total Credit Exposure allocable to any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v)Cash Collateral. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrowers shall jointly and severally, without prejudice to any right or remedy available to it hereunder or under law, promptly cash collateralize the Issuing Lenders' L/C Exposure.

(b)Defaulting Lender Cure. If KCMH, the Administrative Agent and the Issuing Lender agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), such Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a *pro rata* basis by the Lenders in accordance with their Commitment Percentages (without giving effect to Section 3.14(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c)New Letters of Credit. So long as any Lender is a Defaulting Lender, the Issuing Lender shall not be required to issue, extend, renew or increase any Letter of Credit unless it is reasonably satisfied that it will have no L/C Exposure after giving effect thereto.

#### ARTICLE IV

##### CONDITIONS PRECEDENT

SECTION 4.01.Closing Conditions. Effectiveness of this Agreement is subject to the satisfaction or waiver of the following conditions precedent:

- (a) The Administrative Agent's receipt of the following:
  - (i) this Agreement, duly executed and delivered by the Borrower and each of the other parties hereto;
  - (ii) the Guarantee and Security Agreement, duly executed and delivered by the Borrowers as of the Closing Date, together with duly prepared financing statements in



form for filing under the applicable UCC in the jurisdiction of formation of each Borrower;

(iii) certified copies of (x) the constitutive documents of each Borrower and (y) resolutions or other authorizing documentation of each Obligor and the General Partner evidencing the taking of all necessary action authorizing and approving the execution, delivery and performance by each Borrower of the Loan Documents to which it is a party;

(iv) a certificate of an officer of each Borrower certifying the names and true signatures of the officers authorized to sign the Loan Documents and any other documents to be delivered hereunder by each Borrower;

(v) the legal opinion of Simpson Thacher & Bartlett LLP, counsel to the Borrowers, in a form reasonably acceptable to the Administrative Agent;

(vi) a certificate of an officer of KCMH, dated the Closing Date, certifying that (a) the representations and warranties contained in Section 5.01 and in the other Loan Documents are true and correct in all material respects on and as of such date as though made on and as of such date and (b) no event has occurred and is continuing on and as of such date which constitutes a Default or an Event of Default;

(vii) a certificate attesting to the Solvency of KCMH and its Subsidiaries, taken as a whole, after giving effect to the effectiveness of this Agreement and any Loans made or Letters of Credit issued or outstanding on the Closing Date; and

(viii) (a) all documentation and other information reasonably requested in writing at least five Business Days prior to the Closing Date in order to allow the Administrative Agent to comply with applicable "know your customer" and anti-money laundering rules and regulations, including without limitation, the Patriot Act and (b) any other such documents in customary form and previously agreed between the parties.

(b) KCMH shall have (a) paid (i) all accrued and unpaid fees and any outstanding and accrued and unpaid principal and interest thereon under the Existing Credit Agreement and (ii) all fees and expenses (including fees, charges and disbursements of counsel invoiced prior to the Closing Date) required to be paid on or prior to the Closing Date to the Administrative Agent or the Lead Arranger in connection with this Agreement and (b) delivered a written notice of termination of the Existing Credit Agreement in form and substance reasonably acceptable to the Administrative Agent.

The Administrative Agent will promptly notify the Lenders of the occurrence of the Closing Date.

SECTION 4.02. Conditions Precedent to Each Borrowing and Issuance. The obligation of each Lender to make a Loan during the Availability Period on the occasion of each Borrowing and of the Issuing Lender to issue each Letter of Credit shall be subject to the conditions precedent that on the date of and after giving effect to such Borrowing or issuance,

the Total Credit Exposure shall not exceed the then Aggregate Facility Amount, and that the following statements shall be true:

(a) the representations and warranties contained in Section 5.01 and in the other Loan Documents are true and correct in all material respects on and as of the date of such Borrowing or issuance as though made on and as of such date, except to the extent such representation or warranty expressly relates to an earlier date, in which case it is true and correct in all material respects on and as of such earlier date;

(b) no event has occurred and is continuing, or would result from such Borrowing or issuance or from the application of the proceeds from such Borrowing, which constitutes a Default or an Event of Default;

(c) the Debt to Equity Ratio shall be less than or equal to **[\*\*]** to 1.00 after giving proforma effect to such Borrowing or issuance; and

(d) the Administrative Agent and, if applicable, the Issuing Lender shall have received a request for Borrowing or issuance of Letter of Credit in accordance with the requirements hereof.

Each request for a Borrowing or issuance of a Letter of Credit (other than a notice for Conversion or Continuation of Loans) submitted by a Borrower shall be deemed to be a representation and warranty that the conditions specified in clauses (a), (b) and (c) of this Section 4.02 have been satisfied on and as of the date of such request.

## ARTICLE V

### REPRESENTATIONS AND WARRANTIES

SECTION 5.01. Representations and Warranties. Each Borrower represents and warrants to the Administrative Agent and the Lenders as follows:

(a) Organization. Each Borrower is duly organized, validly existing and in good standing as a limited partnership or limited liability company, as applicable, under the laws of Delaware, and each Guarantor and the General Partner is duly organized, validly existing and in good standing (to the extent such concept is recognized under such law) under the laws of its jurisdiction of organization. Each Obligor (i) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (A) own or lease its assets and carry on its business and (B) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (ii) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (i)(A) or (ii), to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect

(b) Authorization. The execution, delivery and performance by each Borrower of this Agreement and the other Loan Documents are within its powers as set forth in

*[\*\*] = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

its applicable constituent documents, as the case may be, and have been duly authorized by all necessary action thereunder, and the execution, delivery and performance by each Guarantor of the Guarantee and Security Agreement are within the powers of such Guarantor and have been duly authorized by all necessary action and the execution, delivery and performance by KCMH of the Loan Documents have been duly authorized by all necessary action of the General Partner.

(c)Approvals; No Conflicts; Etc. The execution, delivery and performance by each Obligor of the Loan Documents to which it is a party (i) do not require any consent or approval of, or registration or filing with, any Governmental Authority or Self Regulatory Organization (except for (A) such as have been obtained or made and are in full force and effect in all material respects, (B) filings and recordings in respect of Liens created pursuant to the Guarantee and Security Agreement and (C) such licenses, approvals, authorizations or consents the failure to obtain or make would not reasonably be expected to result in a Material Adverse Effect), (ii) will not violate any applicable Law, regulation or order of any Governmental Authority the violation of which would be reasonably expected to result in a Material Adverse Effect, and (iii) will not violate or constitute an event of default under any credit agreement, loan agreement, note or indenture, or any other material agreement, binding upon it or its Property; and no Default has occurred and is continuing.

(d)Enforceability. Each Obligor has duly executed and delivered each Loan Document to which it is a party and each such Loan Document constitutes the legal, valid and binding obligation of such Obligor enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

(e)No Material Adverse Change. Since December 31, 2021, no event or circumstance has occurred that has had, or would reasonably be expected to have, a Material Adverse Effect.

(f)No Litigation. There are no actions, suits or proceedings by or before any Governmental Authority pending against or, to the knowledge of KCMH, threatened against or affecting it or any of its Subsidiaries that would reasonably be expected to result in a Material Adverse Effect.

(g)Compliance with Laws. Each Obligor is in compliance with all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it or its Property (including, without limitation, the Patriot Act, ERISA, environmental laws and Rule 15c3-1), except where the failure to be in compliance, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(h)Investment Company Status; Margin Regulations. None of the Obligors is required to register under and none of the Obligors is subject to regulation under the Investment Company Act of 1940, as amended. No Borrower is engaged and no Borrower will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U), or extending credit for the purpose of purchasing or carrying margin stock, in each case in violation of such Regulation U. Each U.S. Broker-Dealer Subsidiary is a broker-dealer subject to Regulation T. Neither the making of any Loan

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hereunder, nor the use of proceeds thereof, will violate or be inconsistent with the provisions of Regulation T, U or X.

(i)Disclosure. No written report, financial statement, certificate or other written information furnished by or on behalf of it to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in the light of the circumstances under which they were made, not misleading; provided that with respect to projected financial information, it represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time and that actual results may differ materially from such information.

(j)Use of Proceeds. The proceeds of the Loans and Letters of Credit shall be used by KCMH and/or its Subsidiaries to facilitate debt capital markets "fronting" arrangements pursuant to which KCMH or such Subsidiary is acting as the initial purchaser or lender of a debt instrument that has been reserved by KCMH or such Subsidiary for purchase by another Person from whom an order has been received and such arrangement involves terms that are customary in the market for "fronting" transactions.

(k)Guarantee and Security Agreement. The Guarantee and Security Agreement is effective to create in favor of the Administrative Agent, for the benefit of the Secured Creditors, a legal, valid and enforceable security interest in the Collateral described therein and proceeds thereof (except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity). Subject to the Intercreditor Agreement, in the case of the Pledged Equity represented by certificates described in the Guarantee and Security Agreement, when any stock certificates representing such Pledged Equity are delivered to the Administrative Agent (or its designee), and in the case of the other Collateral described in the Guarantee and Security Agreement, when financing statements in appropriate form are duly completed and filed in the offices specified on Annex I to the Guarantee and Security Agreement and such other filings as are specified on Annex I to the Guarantee and Security Agreement have been completed, the Guarantee and Security Agreement shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Obligors in such Collateral and the proceeds thereof, as security for the Obligations (as defined in the Guarantee and Security Agreement), in each case prior and superior in right to any other Person (other than with respect to Liens permitted by this Agreement), in each case to the extent security interests in such Collateral may be perfected by delivery of such certificates representing Pledged Equity or such filings.

(l)Ownership of Property. KCMH and each of its Subsidiaries has good record and marketable title to, or valid leasehold interests in, all property necessary in the ordinary conduct of its business, except for such defects in title as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(m)Taxes. Except as would not reasonably be expected to have a Material Adverse Effect, KCMH and each of its Subsidiaries have paid and discharged all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or

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upon any properties belonging to it, other than those (i) not yet delinquent or (ii) contested in good faith as to which adequate reserves have been provided to the extent required by Law and in accordance with GAAP and which would not reasonably be expected to result in



a Material Adverse Effect.

(n)ERISA Matters. (i) No ERISA Event has occurred or is reasonably expected to occur with respect to any Plan and (ii) neither KCMH nor any ERISA Affiliate has incurred or is reasonably expected to incur any Withdrawal Liability to any Multiemployer Plan, which in either case of (i) or (ii) has not been fully satisfied or, with respect to clauses (i) and (ii), except as would not reasonably be expected to result in any Material Adverse Effect.

(o)Subsidiaries. Schedule II is a complete list of Subsidiaries of KCMH as of the Closing Date.

(p)Registered Broker-Dealer; Membership. Each of KCM U.S. and each other U.S. Broker-Dealer Subsidiary is duly registered with the SEC as a broker-dealer and is a member in good standing of FINRA, and each non-U.S. Broker-Dealer Subsidiary is duly registered with, or licensed by, any Governmental Authority that requires registration or licensing and is a member in good standing of any local body similar to FINRA, including, but not limited to, the Financial Services Authority (in the case of KCM U.K.) and the Securities and Futures Commission (in the case of (i) prior to the KCM Asia Reorganization Effective Date, KCM Asia and (ii) after the KCM Asia Reorganization Effective Date, KCM Asia II) to the extent that such membership is required by any Governmental Authority.

(q)SIPC Assessments. No U.S. Broker-Dealer Subsidiary is in arrears with respect to any assessment made upon it by the SIPC, and no non-U.S. Broker Dealer Subsidiary is in arrears with respect to any assessment made upon it by any local body which is similar to the SIPC.

## ARTICLE VI COVENANTS

SECTION 6.01 Affirmative Covenants. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender), KCMH covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a)Reporting Requirements. KCMH will furnish to the Lenders:

(i) within 50 days after the end of each of the first three fiscal quarters, its unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows, in each case as of the end of and for such fiscal quarter, setting forth in each case in comparative form (if applicable) the figures for the corresponding

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period of the previous fiscal year, certified by a Financial Officer to the effect that such financial statements present fairly in all material respects the financial condition and results of operations of KCMH and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to the absence of (or absence of a requirement to have) footnotes and to year-end adjustments;

(ii) within 100 days after the end of each fiscal year, KCMH's unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows as of the end of and for such fiscal year, setting forth in each case in comparative form (if applicable) the figures for the previous fiscal year, certified by a Financial Officer to the effect that such financial statements present fairly in all material respects the financial condition and results of operations of KCMH and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to the absence of (or absence of a requirement to have) footnotes;

(iii) concurrently with any delivery of financial statements under clauses (i) and (ii) above, a certificate of a Financial Officer (x) certifying that no Default has occurred or, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (y) identifying any Subsidiary that has become a Material Foreign Subsidiary during the most recently ended fiscal quarter and (z) setting forth calculations demonstrating in reasonable detail compliance with Section 6.03;

(8) concurrently with the delivery of financial statements under clause (ii) above, an operating income budget of KCMH in reasonable detail for the current fiscal year as customarily prepared by management of KCMH for their internal use, setting forth the principal assumptions upon which such budget is based;

(iv) as soon as available, but in any event within five Business Days of delivery to any Governmental Authority or Self Regulatory Organization, the audited annual financial statements of any Broker-Dealer Subsidiary required to be furnished to such Governmental Authority or Self Regulatory Organization; and

(v) promptly upon request by the Administrative Agent on behalf of the Majority Lenders, such other information regarding the business, operations and financial condition of any Obligor as such Lender may reasonably request (it being understood that the Administrative Agent shall use reasonable efforts to coordinate any such requests).

(b)Existence; Conduct of Business. It will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and, except to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect, the rights, licenses, permits, privileges and franchises material to the conduct of its business (including, in the case of each Broker-Dealer Subsidiary, its registration, license or qualification as a broker-dealer with the

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SEC and/or such other applicable domestic or foreign Governmental Authority); provided that the foregoing shall not prohibit any transaction expressly permitted under Section 6.02(c).

(c)Compliance with Laws. It will, and will cause each of its Subsidiaries to, comply with all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it, its business or its Property (including, in the case of each Broker-Dealer Subsidiary, such rules and regulations of the SEC, FINRA and/or such other applicable domestic or foreign Governmental Authority or Self Regulatory Organization) except, with respect to all matters other than noncompliance by any Broker-Dealer Subsidiary with

applicable minimum capital requirements, where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(d)Maintenance of Insurance. It will, and will cause each of its Subsidiaries to, maintain with financially sound and reputable insurance companies insurance on all its tangible Property in at least such amounts and against at least such risks as KCMH believes (in the good faith judgment of KCMH) are usually insured against in the same general area by companies of a similar size engaged in the same or a similar business and in a manner that is consistent with KCMH's and its Subsidiaries' past practices.

(e)Payment of Taxes. It will, and will cause each of its Subsidiaries to, pay and discharge, all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any Property of KCMH or any Subsidiary, provided that neither KCMH, nor any Subsidiary shall be required to pay any such tax, assessment, charge, levy or claim that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of KCMH) with respect thereto in accordance with GAAP or the failure to pay would not reasonably be expected to result in a Material Adverse Effect.

(f)Maintenance of Properties. It will, and will cause each of its Subsidiaries to, keep and maintain all Property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, except to the extent failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(g)Books and Records; Visitation and Inspection Rights. It will, and will cause each Borrower as well as each of its Material Subsidiaries to, keep proper books of record and account in accordance with GAAP, and permit representatives designated by the Administrative Agent, upon reasonable prior notice, to visit and inspect its Properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants (it being agreed that KCMH shall be given the opportunity to participate in any such discussion with its independent accountants), all at the reasonable expense of KCMH and at such reasonable times during normal business hours, but in each case subject to and in accordance with all applicable laws of any Governmental Authority and such confidentiality measures relating thereto as KCMH may reasonably require; provided that, other than after the occurrence of and during the continuance of an Event of Default, (i) such visitations and inspections shall not be permitted on more than two instances in

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any calendar year and (ii) only one such visitation and inspection shall be at the expense of KCMH.

(h)Notices of Material Events. It will furnish to the Administrative Agent and each Lender prompt written notice of the following:

- (i) the occurrence of any Default or Event of Default;
- (ii) the filing or commencement of any action, suit or proceeding by or before any Governmental Authority against or affecting it or any of its Subsidiaries which would reasonably be expected to be adversely determined and, if so determined, would reasonably be expected to result in a Material Adverse Effect; and
- (iii) any other event that has had, or would reasonably be expected to have, a Material Adverse Effect.

Each notice delivered under this subsection shall be accompanied by a statement of a Financial Officer setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

(i)Additional Guarantors and Grantors; Additional Borrowers.

(i) Subject to any applicable limitations set forth in the Guarantee and Security Agreement, KCMH will promptly cause each direct or indirect domestic Wholly-Owned Subsidiary (other than any Domestic Subsidiary of a Foreign Subsidiary or a Domestic Subsidiary substantially all of whose assets consist of capital stock and/or indebtedness of one or more Foreign Subsidiaries) formed or otherwise purchased or acquired after the date hereof, to execute a supplement to the Guarantee and Security Agreement substantially in the form attached to the Guarantee and Security Agreement (or otherwise in a form reasonable satisfactory to the Administrative Agent) in order to become a Guarantor and a grantor thereunder and take all other action reasonably requested by the Administrative Agent to grant a perfected security interest in its assets to substantially the same extent as granted by the Obligors on the Closing Date; provided that in any event, no Broker-Dealer Subsidiary shall be required to enter into, provide a guarantee, or grant any security interests in its assets under the Guarantee and Security Agreement or any other Loan Document.

(ii) From time to time after the Closing Date, with fifteen Business Days' prior written notice to the Administrative Agent and subject to the satisfaction of the conditions set forth in this Section 6.01(i)(ii), KCMH may designate any Subsidiary as an Additional Borrower; provided that in no event shall a Subsidiary become an Additional Borrower if such Subsidiary either (A) is an entity that is not required to be an additional Guarantor under Section 6.01(i)(i), or (B) is a direct or indirect Subsidiary of a Person that is not required to be an additional Guarantor under Section 6.01(i)(i); and provided further that:

- (A) such Subsidiary is a Wholly-Owned Subsidiary of KCMH organized or incorporated in the United States or a jurisdiction otherwise

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approved by the Administrative Agent and the applicable Lenders; provided that, in the case of a jurisdiction in which no Borrower is organized or incorporated on the Closing Date, such designation shall be prohibited if the Administrative Agent or any applicable Lender shall not have the ability or authorization to lend into such jurisdiction;

(B) such Subsidiary is or becomes a Guarantor prior to or contemporaneously with becoming an Additional Borrower;

(C) no Default or Event of Default has occurred and is continuing or would result from such Subsidiary becoming an Additional Borrower;

(D) the Administrative Agent and the Lenders shall have received at least ten Business Days prior to the date such Subsidiary becomes an Additional Borrower such documentation and information as is reasonably requested in

writing by the Administrative Agent or any applicable Lender to the extent required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including, without limitation, the Patriot Act;

(E) the Administrative Agent shall have received a duly executed and delivered Additional Borrower Joinder Agreement and a duly executed and delivered pledge of the equity of such Subsidiary in accordance with the Guarantee and Security Agreement; and

(F) the Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of such Subsidiary (or a duly authorized committee thereof) authorizing (a) the execution, delivery, and performance of the Additional Borrower Joinder Agreement and the other Loan Documents (and any agreements relating thereto) to which it is a party and (b) the extensions of credit contemplated hereunder, (ii) the certificate of incorporation and by-laws, certificate of formation and operating agreement or other comparable organizational documents, as applicable, of such Subsidiary, (iii) signature and incumbency certificates (or other comparable documents evidencing the same) of the authorized officers of such Subsidiary executing the Additional Borrower Joinder Agreement and the other Loan Documents to which it is a party, and (iv) if requested by Administrative Agent, a customary legal opinion from outside counsel to the Borrower as to customary joinder matters.

(iii) Upon any Subsidiary becoming an Additional Borrower in accordance with Section 6.01(i), such Subsidiary shall be, jointly and severally, for all purposes, and with all rights and obligations of, a “Borrower” under this Agreement and the other Loan Documents.

(j) Pledge of Material Foreign Subsidiaries. Subject to any applicable limitations set forth in the Guarantee and Security Agreement, KCMH will promptly deliver to the Administrative Agent a local law pledge agreement under the jurisdiction of organization or

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formation of each Subsidiary that is directly owned by an Obligor and identified as a Material Foreign Subsidiary in accordance with Section 6.01(a)(iii)(y) in a customary form reasonably satisfactory to the Administrative Agent, together with (i) copies of such Material Foreign Subsidiary’s constitutive documents and documents evidencing that such Material Foreign Subsidiary has taken of all necessary action authorizing and approving the execution, delivery and performance of the Loan Documents to which it is a party, and (ii) a legal opinion in a form reasonably satisfactory to the Administrative Agent from counsel to such Material Foreign Subsidiary.

(k) Pledge of Additional Stock and Evidence of Indebtedness. Subject to the Intercreditor Agreement and to any applicable limitations set forth in the Guarantee and Security Agreement or with respect to which, in the reasonable judgment of the Administrative Agent (confirmed in writing by notice to KCMH), the cost or other consequences (including any adverse tax consequences) of doing so shall be excessive in view of the benefits to be obtained by the Lenders therefrom, KCMH will cause (i) all certificates representing Equity Interests (if any) of any Subsidiary held directly by any Borrower or any Guarantor and (ii) all evidences of Indebtedness in excess of \$5,000,000 received by any Borrower or any of the Guarantors, in each case, promptly to be delivered along with applicable instruments of transfer duly executed in blank to the Administrative Agent (or its designee) as security for the obligations owed under the Loan Documents, under the Guarantee and Security Agreement.

(l) Further Assurances. Subject to the Intercreditor Agreement, it will, and will cause each of the Guarantors to, from time to time give, execute, deliver, file and/or record any financing statement, notice, instrument, document, agreement or other paper that is necessary to cause the Liens created by the Guarantee and Security Agreement to be valid first priority perfected Liens on the Property purported to be covered thereby (including after-acquired Property, it being understood that, except as set forth in paragraph (j) above, there shall be no requirement to enter into or deliver security agreements or pledge agreements governed by the laws of any non-U.S. jurisdiction) or otherwise take steps to perfect any security interest or Lien securing the Obligations under the laws of any non-U.S. jurisdiction), subject to no equal or prior Lien except as otherwise permitted by the Loan Documents, and promptly from time to time obtain and maintain in full force and effect, and cause each of the Guarantors to obtain and maintain in full force and effect, all licenses, consents, authorizations and approvals of, and make all filings and registrations with, any Governmental Authority necessary under the Laws of the jurisdiction of organization of such Guarantor (or any other jurisdiction in which part of the Collateral owned by it or by any Guarantor may be situated) for the making and performance by it of the Loan Documents to which it is a party. Notwithstanding the foregoing or anything to the contrary in any Loan Document, it is hereby agreed and acknowledged that any requirement to take any action to establish perfection by control under any Loan Document is subject to the Intercreditor Agreement, and the establishment of such control by the Administrative Agent’s designee or bailee set forth in the Intercreditor Agreement shall constitute compliance with any such requirement to establish such control by the Administrative Agent under the Loan Documents.

SECTION 6.02. Negative Covenants. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have

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any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender), KCMH covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a) Indebtedness. It will not, and will not permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Indebtedness, provided that KCMH and any Subsidiary may incur Indebtedness (and all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest with regard to such Indebtedness) if (x) immediately before and after such incurrence, no Default or Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to **[\*\*]** to 1.00 after giving proforma effect thereto. The limitations set forth in the immediately preceding sentence shall not apply to any of the following items:

(i) Indebtedness arising under the Loan Documents;

- (ii) Intercompany Indebtedness owed among the Borrowers and/or their Subsidiaries (including any Indebtedness used to finance any financing transaction);
- (iii) Permitted Subordinated Debt;
- (iv) Indebtedness in respect of Hedging Agreements;
- (v) Indebtedness in respect of overdraft facilities, netting services, automatic clearinghouse arrangements and other cash management and similar arrangements in the ordinary course of business;
- (vi) additional Indebtedness of KCMH and its Subsidiaries in an aggregate principal amount not to exceed \$[\*\*] at any time outstanding;
- (vii) Indebtedness arising under the Five-Year Credit Agreement (and the other Loan Documents (as defined therein)), and any refinancing, renewal or replacement thereof;
- (viii) Indebtedness arising under fronting and/or settlement facilities ("Fronting Facilities"); provided that, at least 10 Business Days prior to incurring any such Indebtedness (or such shorter period as MHC B shall reasonably agree, it being agreed MHC B shall use commercially reasonable efforts to provide a response to KCMH as soon as practicable after receipt of such notice), KCMH and/or the relevant Subsidiary shall have provided MHC B a bona fide opportunity (through a written notice to MHC B) to provide such Indebtedness, including an offer regarding the timing of establishing such indebtedness, and MHC B shall have either (1) declined (through a written notice from the Administrative Agent to KCMH and/or such Subsidiary) to accept such offer to provide such Indebtedness or (2) failed to respond in writing to such offer, in each case, within such 10 Business Day period; and

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- (ix) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (i) through (viii) above.

(b) Liens. It will not, nor will it permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any Property now owned or hereafter acquired by it, except Liens under the Guarantee and Security Agreement and other Liens in favor of the Administrative Agent as contemplated hereby and except:

- (i) Liens arising under the Loan Documents;
- (ii) Liens securing Finance Subsidiary Debt; provided that the terms of any Finance Subsidiary Debt (including any intercreditor arrangements entered into in connection therewith) shall provide that the Liens on the Collateral granted under the Guarantee and Security Agreement have at least second priority (to the extent the terms of such Finance Subsidiary Debt do not permit the obligations under the Loan Documents to be secured on a first priority basis *pari passu* with such Finance Subsidiary Debt) after giving effect to the incurrence of such Finance Subsidiary Debt; provided further that the assets securing any such Finance Subsidiary Debt shall be limited to (A) the assets of the Finance Subsidiary or Finance Subsidiaries incurring such Finance Subsidiary Debt and (B) the common equity interests of such Finance Subsidiary or Finance Subsidiaries;
- (iii) Permitted Liens;
- (iv) Liens securing Indebtedness or other obligations of a KCMH or any Subsidiary of KCMH in favor of KCMH or any Subsidiary of KCMH;
- (v) Liens (A) of a collecting bank arising under Section 4-208 of the UCC on items in the course of collection, (B) attaching to commodity trading accounts or other commodities brokerage accounts incurred in the ordinary course of business; and (C) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off);
- (vi) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business;
- (vii) Liens that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (B) relating to pooled deposit or sweep accounts of KCMH or any of its Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of KCMH and its Subsidiaries or (C) relating to agreements entered into with customers of KCMH or any of its Subsidiaries in the ordinary course of business;

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- (viii) additional Liens so long as the aggregate principal amount of the obligations secured thereby at any time outstanding does not exceed \$[\*\*];

(ix) the modification, replacement, extension or renewal of any Lien permitted by this Section 6.02(b) upon or in the same assets theretofore subject to such Lien (or upon or in after-acquired property that is affixed or incorporated into the property covered by such Lien or any proceeds or products thereof) or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor except to the extent otherwise permitted hereunder) of the Indebtedness secured thereby;

(x) Liens securing obligations in respect of Indebtedness outstanding under Section 6.02(a)(vii), provided such Liens shall only extend to Collateral and shall be *pari passu* with the Liens securing the Obligations hereunder and subject to the Intercreditor Agreement, or junior to the Liens securing the Obligations and subject to an intercreditor agreement in form and substance reasonably satisfactory to the Administrative Agent and KCMH; and

(xi) Liens securing obligations in respect of Indebtedness outstanding under Section 6.02(a)(viii), provided such Liens only extend to the loans made pursuant to such Fronting Facility and other assets related thereto, and in each case, the proceeds thereof. It is agreed that upon the incurrence of a Lien permitted pursuant to this clause (xi), any Collateral subject to such Lien shall be automatically released from the Liens securing the Obligations (and the Administrative Agent shall take such

actions as reasonably requested by KCMH to evidence such release (or absence) of such Lien, it being understood that the Lenders authorize the Administrative Agent to enter into any such documentation, with the Administrative Agent authorized to rely on a certificate from KCMH confirming the automatic release (or absence) of such Lien hereunder in delivering any such documentation).

(c) Mergers, Consolidations, Sales of Assets, Etc. It will not merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its Property (in each case, whether now owned or hereafter acquired), or liquidate or dissolve (provided, that, if at the time thereof and immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing, any Person may merge into KCMH in a transaction in which KCMH is the surviving entity) and it will not permit any of its Subsidiaries to merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with any Subsidiary, if a Default or Event of Default would result as a result from any such merger or consolidation and, if involving a Borrower or a Guarantor, unless such Borrower or Guarantor is the surviving entity or such successor entity is a Subsidiary of KCMH immediately following such merger or consolidation and expressly assumes the obligations of such Borrower or Guarantor, as applicable, under the Loan Documents; provided further that Subsidiaries of KCMH shall be permitted to liquidate or dissolve, except to the extent such liquidation or dissolution would reasonably be expected to result in a Material Adverse Effect and provided that upon or prior to the liquidation or

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dissolution of any Borrower no Borrowings of such Borrower or Letters of Credit issued for the account of such Borrower are outstanding.

(d) Investments. Without the prior written consent of the Majority Lenders (such consent not to be unreasonably withheld), it will not, and will not permit any of its Subsidiaries to, make any Investment in KKR or its Affiliates; provided, that so long as no Event of Default has occurred and is continuing, KCMH and its Subsidiaries may make Investments in the ordinary course of KCMH and its Subsidiaries' capital markets business and in compliance with Section 6.02(i) in (i) any KCM Group Entity, (ii) any portfolio company (or any entity controlled by a portfolio company) of any fund, separately managed account or partnership managed or controlled or sponsored by KKR and/or its Affiliates (any such fund, account or partnership, a "KKR Vehicle") and (iii) any KKR Vehicle with publicly traded securities or securities issued pursuant to Rule 144A of the Securities Act of 1933 or any foreign equivalent or with respect to which a registration statement or equivalent foreign document has been filed.

(e) Dividends. It will not, and will not permit any of its Subsidiaries to, declare or pay any dividends or make distributions (other than dividends or distributions payable solely in its Equity Interests (other than Disqualified Equity Interests)) or return any capital to its equity holders or make any other distribution, payment or delivery of property or cash to its equity holders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any of its Equity Interests or Equity Interests of any direct or indirect parent thereof now or hereafter outstanding, or set aside any funds for any of the foregoing purposes, or permit any of its Subsidiaries to purchase or otherwise acquire for consideration any Equity Interests of KCMH, now or hereafter outstanding (all of the foregoing, "dividends"), provided that KCMH and any Subsidiary may pay dividends if (x) immediately before and after paying such dividend, no (1) Default or (2) Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to [\*\*] to 1.00 after giving proforma effect thereto. The limitations set forth in the immediately preceding sentence (other than subclause (x)(2) in the proviso thereto) shall not apply to any of the following items so long as KCMH is in compliance with Section 6.03 after giving proforma effect thereto:

(i) it may (or may pay dividends to permit any direct or indirect parent thereof to) redeem in whole or in part any of its Equity Interests for another class of its (or such parent's) Equity Interests (other than Disqualified Equity Interests) or with proceeds from substantially concurrent equity contributions or issuances of new Equity Interests (other than Disqualified Equity Interests), provided that such new Equity Interests contain terms and provisions at least as advantageous to the Lenders in all respects material to their interests as those contained in the Equity Interests redeemed thereby;

(ii) it may pay dividends, the proceeds of which will be used to pay (or to pay dividends to allow any direct or indirect parent of KCMH to pay (including to the individual owners of any direct or indirect parent of KCMH)) the tax liability of such parent and the individual owners of any direct or indirect parent, determined at the highest combined federal, state and local income tax rate applicable to an individual resident in New York City, attributable to the direct or indirect ownership of KCMH or its Subsidiaries determined as if KCMH and its Subsidiaries filed separately;

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(iii) it or any of its Subsidiaries may (i) pay cash in lieu of fractional Equity Interests in connection with any dividend, split or combination thereof and (ii) honor any conversion request by a holder of convertible Indebtedness and make cash payments in lieu of fractional shares in connection with any such conversion; and

(iv) any Subsidiary of KCMH may pay dividends to its direct parent; provided that if any such dividends are paid by a non-Wholly-Owned Subsidiary, such dividends shall be made ratably based on the equity holder's interests therein (or any other amount more favorable to KCMH), provided further that if the proceeds of any outstanding Loans or Letters of Credit have been used for an Investment in such non-Wholly-Owned Subsidiary, any cash dividends paid to such parent shall be applied to prepay such Loans or cash collateralize such Letters of Credit if no Loans are outstanding, at the option of the Administrative Agent, without application of Section 3.12 or at the end of the next Interest Period(s) (in the case of a Term Benchmark Loan) or calendar quarter (in the case of an ABR Loan or RFR Loan), as applicable.



(f) Subordinated Debt Payments. It will not, and will not permit any of its Subsidiaries to, prepay, repurchase or redeem, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner, or make any payment in violation of any subordination terms of, any Subordinated Indebtedness; provided that KCMH and any Subsidiary may prepay, repurchase or redeem, defease or otherwise satisfy any Subordinated Indebtedness if (x) immediately before and after such payment, no Default or Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to **[\*\*]** to 1.00 after giving proforma effect thereto. Notwithstanding the foregoing, nothing in this Section 6.02(f) shall prohibit the repayment or prepayment of intercompany Subordinated Indebtedness owed among KCMH and/or its Subsidiaries, in either case unless an Event of Default has occurred and is continuing and KCMH has received a notice from the Administrative Agent instructing it not to make or permit any such repayment or prepayment.

(g) Burdensome Agreements. It will not, and will not permit any of its Subsidiaries to, enter into or suffer to exist or become effective any agreement that prohibits or limits the ability (i) of any Obligor to create, incur, assume or suffer to exist any Lien upon any of its material Property or revenues, whether now owned or hereafter acquired, to secure the Obligations or, in the case of any Guarantor, its obligations under the Guarantee and Security Agreement, or (ii) of any Subsidiary to make Restricted Payments to any Borrower or any Guarantor or to otherwise transfer property to or invest in any Borrower or any Guarantor, other than (A) this Agreement and the other Loan Documents, (B) any agreements governing Finance Subsidiary Debt and, in the case of clause (i) above only, purchase money Liens (or any permitted refinancing in respect thereof) or Finance Lease Obligations otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby and in the case of any permitted refinancing of purchase money Indebtedness, no more restrictive than that in the relevant refinanced agreement), (C) any such agreement in effect at the time any Subsidiary becomes a Subsidiary of KCMH, so long as such agreement was not entered into solely in contemplation of such Person becoming a Subsidiary of KCMH, (D) any such agreement imposed or required by or otherwise entered into with any applicable Governmental Authority, (E) any agreement in respect of Indebtedness outstanding under Section 6.02(a)(vii) or (viii) and (F) any agreement in respect of Indebtedness permitted to be

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outstanding under this Agreement, provided such restrictions do not, in the good faith judgment of KCMH, impair in any material respect the ability of the Borrowers hereunder to comply with their payment obligations under the Loan Documents.

(h) Affiliate Transactions. It will not, and will not permit any of its Subsidiaries to, enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate (other than KCMH or any of its Subsidiaries) unless such transaction is (a) otherwise permitted under this Agreement, including the payment and receipt of any dividend permitted pursuant to Section 6.02(e), and (b) upon terms that, in the aggregate, are no less favorable to KCMH or such Subsidiary, as the case may be, than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate; provided that nothing in this Section 6.02(h) shall prohibit KCMH or any of its Subsidiaries from providing placement, advisory or other services in the ordinary course of business so long as such services do not include a funding obligation of KCMH or such Subsidiary.

(i) Line of Business. It will not, nor will it permit any of its Subsidiaries to, enter into any business, either directly or through any Subsidiary, except for those businesses in which KCMH and its Subsidiaries are engaged on the Closing Date or that are reasonably related thereto.

(j) Change in Fiscal Year. It will not make any change to its fiscal year; provided that KCMH may, upon written notice to the Administrative Agent, change its fiscal year end to any other fiscal year end reasonably acceptable to the Administrative Agent, in which case KCMH and the Administrative Agent will, and are hereby authorized by the other parties hereto to, make any adjustments to this Agreement that are necessary to effect such change.

SECTION 6.03. Financial Covenant. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender and the Administrative Agent), KCMH covenants and agree that, unless the Majority Lenders shall otherwise consent in writing, KCMH will not permit the Debt to Equity Ratio on the last day of any fiscal quarter of KCMH to exceed **[\*\*]** to 1.00.

#### ARTICLE VII

##### EVENTS OF DEFAULT

SECTION 7.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

- (a) any Borrower shall fail to pay when due any principal of any Loan;
- (b) any Borrower shall fail for five Business Days or more to pay any interest, fee or L/C Reimbursement Obligation or any other amount (other than principal) payable

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by such Borrower under any Loan Document when and as the same shall become due and payable;

(c) any representation or warranty made or deemed made by an Obligor in this Agreement, any other Loan Document or in any certificate furnished pursuant to this Agreement shall prove to have been untrue in any material respect when made or deemed made;

(d) any Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 6.01(b) (with respect to the legal existence of such Borrower), (h)(i), 6.02 (other than those contained in clause (j) of such Section) or

6.03;

(e) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Section) or in any other Loan Document, and such failure shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent to KCMH;

(f) any Borrower or any Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall fail to make any payment of principal or of interest on any Material Indebtedness when and as the same shall become due and payable (beyond any period of grace, if any); or any event or condition occurs that results in the acceleration (or, solely with respect to any Material Indebtedness incurred under Section 6.02(a)(iii), permits the holders of such Indebtedness (or a trustee or agent on behalf of such holders) to cause such acceleration) of such Material Indebtedness prior to its scheduled maturity;

(g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, winding up, reorganization or other relief in respect of any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) or its debts, or of a substantial part of its Property, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) or for a substantial part of its Property, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(h) any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, winding up, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (g) of this Section, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Material Subsidiary (other than any Finance Subsidiary) or for a substantial part of its Property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v)

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make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(i) any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall become unable, admit its inability or fail generally to pay its debts as they become due;

(j) one or more judgments for the payment of money in an aggregate amount in excess of \$[\*\*] shall be rendered against KCMH or any Subsidiary and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any Property of KCMH or any Subsidiary to enforce any such judgment;

(k) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred for which liability has not been fully satisfied, would reasonably be expected to result in a Material Adverse Effect; or

(l) the Guarantee and Security Agreement shall cease to be valid and binding on, or enforceable against, (i) KCMH or (ii) any other Borrower or Guarantor which is a Material Subsidiary (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Administrative Agent or any Lender), or KCMH or any such other Borrower or Guarantor shall so assert in writing; or

(m) a Change of Control shall occur;

then the Administrative Agent shall upon the request of the Majority Lenders, by notice to KCMH, take any or all of the following actions, at the same or different times: (i) terminate the Commitments and thereupon they shall terminate immediately, (ii) terminate any obligation of the Issuing Lender to issue Letters of Credit hereunder, and thereupon such obligations shall terminate, (iii) declare the Loans and all other amounts payable by the Obligors under the Loan Documents to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of each Borrower accrued and other amounts payable by the Obligors under the Loan Documents, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower, and/or (iv) require the Borrowers to jointly and severally provide cash collateral for L/C Reimbursement Obligations and the outstanding undrawn Letters of Credit in an aggregate amount equal to the then aggregate L/C Exposure and thereupon the Borrowers shall forthwith provide such cash collateral on terms and subject to documentation reasonably satisfactory to the relevant Issuing Lenders and the Administrative Agent; and in case of any event applicable to any Borrower described in clause (g) or (h) of this Section, the Commitments and such obligations of the Issuing Lender shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Obligors accrued under the Loan Documents, shall automatically become due and payable, and the Borrowers jointly and severally shall automatically be required to provide such cash

[\*\*] = Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

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collateral, all without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower. Nothing herein shall terminate or otherwise modify the obligations of the Lenders under Section 2.02(d).

#### SECTION 7.02. Investors' Right to Cure.

(a) Notwithstanding anything to the contrary contained in Section 7.01(d), in the event that KCMH fails to comply with the requirements of the covenant set forth in Section 6.03, until the expiration of the tenth day after the date on which financial statements for the fiscal period in which the covenant set forth in such Section 6.03 is being measured are required to be delivered pursuant to Section 6.01(a), any Person shall have the right to make a direct or indirect equity investment in KCMH in cash (the "Cure Right"), and



upon the receipt by such Person of net cash proceeds pursuant to the exercise of the Cure Right (including through the capital contribution of any such net cash proceeds to such Person), the covenant set forth in such Section 6.03 shall be recalculated, giving effect to a proforma increase to Total Equity as of the relevant date of determination in an amount equal to such net cash proceeds.

(b) If, after the exercise of the Cure Right and the recalculations pursuant to clause (a) above, KCMH shall then be in compliance with the requirements of the covenant set forth in Section 6.03 for the relevant fiscal quarter, KCMH shall be deemed to have satisfied the requirements of such covenant as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable Default or Event of Default under Section 7.01(d) that had occurred shall be deemed cured.

## ARTICLE VIII

### THE ADMINISTRATIVE AGENT

SECTION 8.01. Appointment and Authority. i) Each of the Lenders hereby irrevocably appoints MHC B to act on its behalf as the Administrative Agent under and in connection with the Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders and the Borrowers shall have no rights as a third party beneficiary of any of such provisions.

(a) Each Issuing Lender shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each such Issuing Lender shall have all of the benefits and immunities (i) provided to the Administrative Agent in this Article VIII with respect to any acts taken or omissions suffered by such Issuing Lender in connection with Letters of Credit issued by it or proposed to be issued by it and the applications and agreements for letters of credit pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in this Article VIII included such Issuing Lender with respect to such acts or omissions, and (ii) as additionally provided herein with respect to such Issuing Lender.

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(b) The Administrative Agent shall also act as the "collateral agent" under the Loan Documents, and each of the Lenders and the Issuing Lender hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the Issuing Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Obligors to secure any of the obligations of the Obligors under the Loan Documents, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 8.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Loan Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of this Article VIII and Article IX as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents as if set forth in full herein with respect thereto.

SECTION 8.02. Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Obligor or any Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

### SECTION 8.03. Exculpatory Provisions.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and

(iii) shall not, except as expressly set forth in the Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Obligor or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

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(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 9.01) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by a Borrower or a Lender.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document or (v)

the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

**SECTION 8.04. Reliance by Administrative Agent.** The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan or issuance of a Letter of Credit that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan or such issuance. The Administrative Agent may consult with legal counsel (who may be counsel for a Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

**SECTION 8.05. Delegation of Duties.** The Administrative Agent may perform any and all of its duties and exercise its rights and powers under any Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent and any Issuing Lender may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent and the Issuing Lender, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

**SECTION 8.06. Resignation of Administrative Agent.** The Administrative Agent may at any time give notice of its resignation to the Lenders and KCMH. Upon receipt of

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any such notice of resignation, the Majority Lenders shall have the right, in consultation with KCMH, to appoint a successor, which shall be a nationally recognized bank with an office in New York, New York or an Affiliate of any such bank with an office in New York, New York. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above, provided, that if the Administrative Agent shall notify KCMH and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (b) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Majority Lenders appoint a successor Administrative Agent as provided for above in this subsection. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations under the Loan Documents (if not already discharged therefrom as provided above in this subsection). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between KCMH and such successor. After the retiring Administrative Agent's resignation, the provisions of this Article and Section 9.04 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

**SECTION 8.07. Non-Reliance on Administrative Agent and Other Lenders.** Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon any Loan Document or any related agreement or any document furnished hereunder or thereunder.

**SECTION 8.08. No Other Duties; Etc.** Anything herein to the contrary notwithstanding, the Lead Arranger and any bookrunner listed on the cover page hereof shall not, in such capacities, have any powers, duties or responsibilities under any of the Loan Documents.

**SECTION 8.09. Intercreditor Agreement Governs.** The Administrative Agent, each Lender and each Obligor hereby agrees that it will be bound by and will take no actions contrary to the provisions of the Intercreditor Agreement and any other intercreditor

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agreement entered into pursuant to the terms hereof. Each Lender hereby authorizes and instructs the Administrative Agent to enter into the Intercreditor Agreement and each other intercreditor agreement entered into pursuant to the terms hereof (including any amendments or other modifications thereof) and to subject the Liens securing the Obligations to the provisions thereof.

**SECTION 8.10. Collateral Matters: Credit Bidding.**

(a) Except with respect to the exercise of setoff rights in accordance with Section 9.03 or with respect to a Secured Creditor's right to file a proof of claim in an insolvency proceeding, no Secured Creditor shall have any right individually to realize upon any of the Collateral or to enforce any Guarantee of the Obligations, it being understood and agreed that all powers, rights and remedies under

the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Creditors in accordance with the terms thereof.

(b) The Secured Creditors hereby irrevocably authorize the Administrative Agent, at the direction of the Majority Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of any bankruptcy laws, including under Sections 363, 1123 or 1129 of the United States Bankruptcy Code, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law; *provided* that to the extent the Loans are paid in full in cash, the Commitments are terminated and the Letters of Credit cash collateralized in accordance with the terms hereof, the consent of Majority Lenders shall not be required in connection with any such credit bid. In connection with any such credit bid and purchase, the Obligations owed to the Secured Creditors shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Majority Lenders and, except as set forth above, with the consent of the Majority Lenders, on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Creditors' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Majority Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the

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applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Majority Lenders contained in Section 9.01 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Creditors, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Creditor or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Creditors pro rata with their original interest in such Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Creditor or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Creditor are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Creditor shall execute such documents and provide such information regarding the Secured Creditor (and/or any designee of the Secured Creditor which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

#### ARTICLE IX MISCELLANEOUS

##### SECTION 9.01. Amendments, Etc.

(a) No amendment or waiver of any provision of this Agreement or any other Loan Document, nor consent to any departure by a Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrowers and the Majority Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided*, that no amendment, waiver or consent shall, unless in writing and signed by each Lender directly and adversely affected thereby, do any of the following: (i) subject such Lender to any additional obligations including, without limitation, any extension of the expiry date of the Commitment of such Lender or increase the Commitment of such Lender, (ii) reduce the principal of, or rate of interest on, any Loan, L/C Reimbursement Obligation or any fees or other amounts payable hereunder, (iii) postpone any date for payment of principal of, or interest on, any Loan, L/C Reimbursement Obligation or any fees or other amounts payable hereunder when due (other than fees or other amounts payable for the sole account of an Issuing Lender), or (iv) modify any of the provisions of the Loan Documents relating to prorata payments; and *provided further*, that no amendment, waiver or consent shall, unless in writing and signed by all of the Lenders, change the percentage of the Commitments or of the aggregate unpaid principal amount of the Loans, or the number of Lenders, which shall be

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required for the Lenders or any of them to take any action hereunder, (A) amend Section 3.07(a) or (b), or this Section 9.01, or (B) release all or substantially all of the Collateral or all or substantially all of the value of the Guarantees provided by the Guarantors; and *provided further*, that (x) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and the Issuing Lenders in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent or, as the case may be, the Issuing Lenders under any Loan Document and (y) if the Administrative Agent and KCMH shall have jointly identified an obvious error or any error or omission of a technical or immaterial nature in any provision of the Loan Documents, then the Administrative

Agent and KCMH shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document if the same is not objected to in writing by the Majority Lenders within five Business Days after notice thereof. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

(b) This Agreement, the other Loan Documents and the other agreements provided for herein constitute the entire agreement of the parties hereto and thereto with respect to the subject matter hereof and thereof.

SECTION 9.02. Notices, KCMH as Administrative Borrower, Etc.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsections (b) and (c) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, in each case, as follows:

(i) if to any Borrower or any Guarantor:  
c/o KKR Capital Markets Holdings L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
Attention: John Knox – Financial Controller; Jeff Schwartz - Counsel  
Telephone: 212-750-8300  
Facsimile: 212-750-0003  
Electronic Mail: john.knox@kk.com

(ii) if to the Administrative Agent:  
Mizuho Bank, Ltd.  
New York Branch  
1271 Avenue of the Americas  
New York, New York 10020  
Attention: Sean Pattap  
Telephone: 212-282-4098  
Electronic Mail: sean.pattap@mizuhogroup.com Risk Committee

• 89Member-\$20,000.

(iii) if to the Issuing Lender:  
Mizuho Bank, Ltd.  
New York Branch  
1271 Avenue of the Americas  
New York, New York 10020  
Attention: Sean Pattap  
Telephone: 212-282-4098  
  
Electronic Mail: sean.pattap@mizuhogroup.com

(iv) if to a Lender, to it at its address (or telecopier number, electronic mail address or telephone number) set forth in its Administrative Questionnaire;  
provided, that any party may change its address, telecopier number, electronic mail address or telephone number for notices and other communications hereunder by notice to the other parties. Except as provided in clause (d) below, notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient), except that notices and communications to the Administrative Agent pursuant to Article II or Article VII shall not be effective until received by the Administrative Agent. Notices delivered through electronic communications to the extent provided in clause (b) below, shall be effective as provided in said clause (b).

(b) Notices and other communications to any Lender hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or any Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or

intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Each Borrower further agrees that the Administrative Agent may make communications to Lenders available to the Lenders by posting the communications on Intralinks or a substantially similar electronic transmission system (the "Platform"). THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE AGENT PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT OR ANY OF ITS AFFILIATES OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, ADVISORS OR REPRESENTATIVES (COLLECTIVELY, THE "AGENT PARTIES") HAVE ANY LIABILITY TO ANY OBLIGOR, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF SUCH OBLIGOR'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT THE LIABILITY OF ANY AGENT PARTY IS FOUND IN A FINAL NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED PRIMARILY FROM SUCH AGENT PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(d) The Administrative Agent agrees that the receipt of the communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the communications to the Administrative Agent for purposes of the Loan Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying that the communications have been posted to the Platform shall constitute effective delivery of the communications to such Lender for purposes of the Loan Documents. Each Lender agrees (i) to provide to the Administrative Agent in writing (including by electronic communication), promptly after the date of this Agreement, one or more e-mail addresses to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such e-mail address or addresses.

(e) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

(f) The Borrowers each hereby irrevocably appoint KCMH as the administrative borrower with respect to this Agreement and the other Loan Documents, and all

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notices, demands and interactions with KCMH are hereby authorized by the other Borrowers, and shall be conclusive and binding on the other Borrowers, who duly and irrevocably authorize KCMH to act on their behalf for all purposes under this Agreement and the other Loan Documents, and the Administrative Agent and the Lenders may conclusively rely on all notices, directions, and other interactions with KCMH without consulting in any manner with the other Borrowers.

#### SECTION 9.03. No Waiver; Remedies; Setoff.

(a) No failure on the part of any Lender or the Administrative Agent to exercise, and no delay in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

(b) If an Event of Default shall have occurred and be continuing, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender to or for the credit or the account of any Borrower against any and all of the obligations of such now or hereafter existing under this Agreement or any other Loan Document to such Lender irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations of such Borrower may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender may have. Each Lender agrees to notify KCMH and the Administrative Agent promptly after any such setoff and application, provided, that the failure to give such notice shall not affect the validity of such setoff and application.

#### SECTION 9.04. Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrowers jointly and severally shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Lead Arranger and their respective Affiliates (including the reasonable fees, charges and disbursements of one counsel (together with one local counsel in each relevant jurisdiction)), in connection with the syndication of the facility contemplated hereby, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof, (ii) all out-of-pocket expenses incurred by the Administrative Agent and the Lenders (including the fees, charges and disbursements of one counsel (together with one local counsel in each relevant jurisdiction) and, after notice to KCMH, of more than one such counsel to the extent the Administrative Agent or any Lender reasonably determines that there is an actual conflict of interest requiring the employment of separate counsel) in connection with the enforcement (including all such

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out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect thereof) or, during the continuance of an Event of Default, protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this



Section and (iii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Lender in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder.

(b)Indemnification by the Borrower. The Borrowers jointly and severally hereby indemnify the Administrative Agent, the Lead Arranger, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of one counsel for the Indemnitees (together with one local counsel in each relevant jurisdiction) and, after notice to KCMH, of more than one such counsel to the extent any Indemnitee reasonably determines that there is an actual conflict of interest requiring the employment of separate counsel), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by any Borrower or any other Obligor arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Borrower or any other Obligor and regardless of whether any Indemnitee is a party thereto, provided, that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a final and nonappealable judgment of a court of competent jurisdiction to have resulted from the bad faith, gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by any Borrower against an Indemnitee for material breach of such Indemnitee's obligations hereunder or under any other Loan Document, if such Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. This Section 9.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c)Reimbursement by Lenders. To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under clause (a) or (b) of this Section to be paid by it to the Administrative Agent, the Issuing Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent, the Issuing Lender or such Related Party, as the case may be, such Lender's Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided, that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or the Issuing Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent or the Issuing Lender in connection with such capacity.

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(d)Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, each party hereto agrees that it will not assert, and hereby waives, any claim against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, any Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any Letter of Credit or the use of proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the bad faith, gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e)Payments. All amounts due under this Section shall be payable not later than 15 Business Days after demand therefor.

SECTION 9.05. Binding Effect, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Administrative Agent and each Lender and their respective successors and permitted assigns, except that no Borrower shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the Administrative Agent and the Lenders.

#### SECTION 9.06. Assignments and Participations.

(a)Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of clause (b) of this Section, (ii) by way of participation in accordance with the provisions of clause (d) of this Section or (iii) by way of pledge or assignment of a security interest in accordance with clause (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in clause (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b)Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided, that

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(i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is

delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof, unless each of the Administrative Agent and, unless an Event of Default has occurred and is continuing, KCMH otherwise consents (each such consent not to be unreasonably withheld or delayed);

(ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned;

(iii) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500 and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire; and

(iv) no assignment shall be made to a natural person.

Subject to notice to KCMH and acceptance and recording thereof by the Administrative Agent pursuant to clause (c) of this Section, from and after the Assignment Date specified in each Assignment and Assumption (an "Assignment Date"), the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.09, 3.11, 3.12 and 9.04 with respect to facts and circumstances occurring prior to such Assignment Date. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrowers, shall maintain at its address specified in Section 9.02 a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the

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Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, any Borrower or the Administrative Agent, sell participations to any Person (other than a natural person or any Borrower or any of any of KCMH's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided, that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided, that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso of Section 9.01 that affects such Participant. Subject to clause (e) of this Section, each Borrower agrees that each Participant shall be entitled to the benefits and obligations of Sections 3.09, 3.11, and 3.12 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 9.06. Each Lender that sells a participation agrees, at the Borrowers' request and expense, to use reasonable efforts to cooperate with the Borrowers to effectuate the provisions of Section 3.13(b) with respect to any Participant. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Sections 3.09, 3.11 and 3.12 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant.

(f) Certain Pledges. Any Lender, without the consent of any Borrower or the Administrative Agent may at any time grant security interest in all or any portion of its rights

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under this Agreement or any Note to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided, that no such pledge or assignment shall release such Lender from any of its obligations hereunder.

(g) Resignation as Issuing Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time MHC B assigns all of its Commitment and Loans pursuant to Section 9.06(b), MHC B may, upon 30 days' notice to KCMH and the



Lenders, resign as Issuing Lender. In the event of any such resignation as Issuing Lender, KCMH shall be entitled to appoint, from among the Lenders, a successor Issuing Lender hereunder; provided, however, that no failure by KCMH to appoint any such successor shall affect the resignation of MHC B as Issuing Lender. If MHC B resigns as Issuing Lender, it shall retain all the rights, powers, privileges and duties of the Issuing Lender hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as Issuing Lender and all L/C Exposure with respect thereto. Upon the appointment of a successor Issuing Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Lender, and (b) the successor Issuing Lender shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to MHC B to effectively assume the obligations of MHC B with respect to such Letters of Credit.

SECTION 9.07. GOVERNING LAW; JURISDICTION; ETC.

(A) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(B) SUBMISSION TO JURISDICTION. EACH BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH BORROWER IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH BORROWER AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY

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OTHER LOAN DOCUMENT AGAINST ANY BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(C) WAIVER OF VENUE. EACH BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN CLAUSE (B) ABOVE. EACH BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(D) SERVICE OF PROCESS. EACH BORROWER AGREES THAT SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, AT ITS ADDRESS SET FORTH IN SECTION 9.02, OR AT SUCH OTHER ADDRESS OF WHICH THE ADMINISTRATIVE AGENT SHALL HAVE BEEN NOTIFIED IN WRITING BY KCMH.

SECTION 9.08. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.09. Counterparts; Effectiveness; Execution.

(a) Counterparts; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Loan Documents or any Assignments. The words "execution," "signed," "signature," and words of like import in this Agreement or any other Loan Documents or any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New

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York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 9.10. Survival. The provisions of Sections 3.09, 3.11 and 3.12 and Article VIII and Section 9.04 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans and the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.11. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN

INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 9.12. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and will be subject to customary confidentiality obligations of professional practice or will agree (which agreement may be oral or pursuant to company policy) to be bound by the terms of this Section 9.12 (or language substantially similar to this Section 9.12)), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any Self Regulatory Organization), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies under this Agreement or any other Loan Document or any action or proceeding relating to the Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any Borrower and its obligations, (g) with the consent of KCMH or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a non-confidential basis from a source other than KCMH or its Subsidiary.

For purposes of this Section, "Information" means all information received from KCMH or any of its Subsidiaries relating to KCMH or any of its Subsidiaries or any of their

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respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by KCMH or any of its Subsidiaries. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 9.13. No Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby, each Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) the credit facility provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document) are an arm's length commercial transaction between the Borrowers and their Affiliates, on the one hand, and the Administrative Agent and the Lead Arranger, on the other hand, and each Borrower is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification thereof); (b) in connection with the process leading to such transaction, the Administrative Agent and the Lead Arranger, each is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for any Borrower or any of its Affiliates, equity holders, creditors or employees or any other Person; (c) neither the Administrative Agent nor the Lead Arranger has assumed or will assume an advisory, agency or fiduciary responsibility in favor of any Borrower with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment waiver or other modification hereof or of any other Loan Document (irrespective of whether the Administrative Agent or the Lead Arranger has advised or is currently advising any Borrower or any of its Affiliates on other matters) and neither the Administrative Agent nor the Lead Arranger has any obligation to any Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; (d) the Administrative Agent and the Lead Arranger and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their Affiliates, and neither the Administrative Agent nor the Lead Arranger has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (e) the Administrative Agent and the Lead Arranger have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and the Borrowers have consulted their own legal, accounting, regulator and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent and the Lead Arranger with respect to any breach or alleged breach of agency or fiduciary duty.

SECTION 9.14. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

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SECTION 9.15. USA PATRIOT Act. Each Lender hereby notifies each Borrower that pursuant to the requirements Risk Committee Chair-\$40,000 (inclusive of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies such Borrower, which information includes the name and address of the Borrowers and other information that will allow such Lender to identify such Borrower in accordance with the Patriot Act. Risk Committee Member fee)

3. SECTION 9.16. Equity Awards Judgment Currency. This is an international loan transaction in which the specification of Dollars or an Alternate Currency, as the case may be (the "Specified Currency"), and any payment in New York City or the country of the Specified Currency, as the case may be (the "Specified Place"), is of the essence, and the Specified Currency shall be the currency of account in all events relating to amounts denominated in such Specified Currency. The payment obligations of the Borrowers under this Agreement and the other Loan Documents shall not be discharged by an amount paid in another currency or in another place, whether pursuant to a judgment or otherwise, to the extent that the amount so paid on conversion to the Specified Currency and transfer to the Specified Place under normal banking procedures does not yield the amount of the Specified Currency at the Specified Place due hereunder. If for the

purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Specified Currency into another currency (the "Second Currency"), the rate of exchange which shall be applied shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the Specified Currency with the Second Currency on the Business Day next preceding that on which such judgment is rendered. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or any Lender hereunder shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be due hereunder or under the Notes in the Second Currency to the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase and transfer to the Specified Place the Specified Currency with the amount of the Second Currency so adjudged to be due; and the Borrowers hereby, as a separate obligation and notwithstanding any such judgment, jointly and severally agree to indemnify the Administrative Agent or such Lender, as the case may be, against, and to pay the Administrative Agent or such Lender, as the case may be, on demand in the Specified Currency, any difference between the sum originally due to the Administrative Agent or such Lender, as the case may be, in the Specified Currency and the amount of the Specified Currency so purchased and transferred.

SECTION 9.17. European Monetary Union. ii) Definitions. In this Section 9.17 and in each other provision of this Agreement to which reference is made in this Section 9.17 (whether expressly or impliedly), the following terms have the following respective meanings:

"EMU" shall mean economic and monetary union as contemplated in the Treaty on European Union.

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"EMU Legislation" shall mean legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency, being in part the implementation of the third stage of EMU.

"Euro" shall mean the single currency of Participating Member States of the European Union, which shall be a Currency under this Agreement.

"Euro Unit" shall mean a currency unit of the Euro.

"National Currency Unit" shall mean a unit of any Currency (other than a Euro Unit) of a Participating Member State.

"Participating Member State" shall mean each state so described in any EMU Legislation.

"Target Operating Day" shall mean any day that is not (a) a Saturday or Sunday, (b) Christmas Day or New Year's Day or (c) any other day on which the Trans-European Real-time Gross Settlement Express Transfer system (or any successor settlement system) is not operating (as determined by the Administrative Agent).

"Treaty on European Union" shall mean the Treaty of Rome of March 25, 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed at Maastricht on February 7, 1992, and came into force on November 1, 1993), as amended from time to time.

(a) Alternative Currencies. If and to the extent that any EMU Legislation provides that an amount denominated either in the Euro or in the National Currency Unit of a Participating Member State and payable within the Participating Member State by crediting an account of the creditor can be paid by the debtor either in the Euro Unit or in that National Currency Unit, any party to this Agreement shall be entitled to pay such amount either in the Euro Unit or in such National Currency Unit.

(b) Payments by the Administrative Agent Generally. With respect to the payment of any amount denominated in the Euro or in a National Currency Unit, the Administrative Agent shall not be liable to any Borrower or any of the Lenders in any way whatsoever for any delay, or the consequences of any delay, in the crediting to any account of any amount required by this Agreement to be paid by the Administrative Agent if the Administrative Agent shall have taken all relevant steps to achieve, on the date required by this Agreement, the payment of such amount in immediately available, freely transferable, cleared funds (in the Euro Unit or, as the case may be, in a National Currency Unit) to the account of any Borrower or any Lender, as the case may be, in the Principal Financial Center in the Participating Member State which the Borrower or, as the case may be, such Lender shall have specified for such purpose. In this paragraph (c), "all relevant steps" shall mean all such steps as may be prescribed from time to time by the regulations or operating procedures board of such clearing or settlement system as the Administrative Agent may from time to time reasonably determine for the purpose of clearing or settling payments of the Euro.

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(c) [Reserved] :-

(d) Rounding. Without prejudice and in addition to any method of conversion or rounding prescribed by the EMU Legislation, each reference in this Agreement to a minimum amount (or a multiple thereof) in a National Currency Unit to be paid to or by the Administrative Agent shall be replaced by a reference to such reasonably comparable and convenient amount (or a multiple thereof) in the Euro Unit as the Administrative Agent may from time to time specify.

(e) Other Consequential Changes. Without prejudice to the respective liabilities of the Borrowers to the Lenders and the Lenders to the Borrowers under or pursuant to this Agreement, except as expressly provided in this Section 9.17, each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be necessary or appropriate to reflect the introduction of or changeover to the Euro in Participating Member States.

SECTION 9.18. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

- (ii) a conversion of all, **directors** or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
- (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 9.19. **Administrative Matters.** Notwithstanding the termination of the Existing Credit Agreement on the Closing Date, for administrative convenience, the principal amount of Loans outstanding under and governed by the Existing Credit Agreement immediately prior to the Closing Date shall be transferred to and deemed to be outstanding under this Agreement. **committee thereof.**

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[Signature Pages Follow]

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Exhibit 10.21

**RESTRICTED STOCK UNIT GRANT CERTIFICATE  
UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN  
(DIRECTOR)**

KKR & Co. Inc. (the "**Corporation**"), pursuant to its Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (the "**Plan**"), hereby grants to the Grantee set forth below,, who is a member of the board of directors of the Corporation, the number of Restricted Stock Units ("**RSUs**") set forth below. The RSUs are subject to all of the terms and conditions as set forth herein, in the Restricted Stock Unit Agreement (attached hereto), and in the Plan, all of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Plan.

**Grantee:**

**Participant Name**

**Grant Date:**

**Grant Date**

**Number of RSUs:**

**Number of Awards Granted**

**Vesting Schedule:**

The following sets forth each applicable Service Vesting Date upon which the applicable percentage of RSUs granted hereunder shall become vested, subject to the Grantee's continued Service through each such date and other terms and conditions contained in the attached Restricted Stock Unit Grant Agreement.

| Percentage of RSUs Vesting: | Applicable Service Vesting Date: |
|-----------------------------|----------------------------------|
|                             |                                  |
|                             |                                  |

\* \* \*

THE UNDERSIGNED GRANTEE ACKNOWLEDGES RECEIPT OF THIS RESTRICTED STOCK UNIT GRANT CERTIFICATE, THE RESTRICTED STOCK UNIT AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF RESTRICTED STOCK UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS RESTRICTED STOCK UNIT GRANT CERTIFICATE, THE RESTRICTED STOCK UNIT AGREEMENT AND THE PLAN.

KKR & CO. INC.

GRANTEE

By:

Title:

**Electronic Signature**

Name: **Participant Name**

Grant Acceptance Date: **Grant Acceptance Date**

**RESTRICTED STOCK UNIT AGREEMENT  
UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN  
(DIRECTOR)**

Pursuant to the Restricted Stock Unit Grant Certificate (the "**RSU Grant Certificate**") delivered to the Grantee (as defined in the RSU Grant Certificate), and subject to the terms of this Restricted Stock Unit Agreement (this "**Agreement**") and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as amended from time to time, the "**Plan**"), KKR & Co. Inc. (the "**Corporation**") and the Grantee agree as follows. The RSU Grant Certificate is incorporated into and deemed a part of this Agreement. Capitalized terms not otherwise defined herein or in Appendix A (attached hereto) shall have the meaning set forth in the Plan or the RSU Grant Certificate, as applicable.

#### RECITALS

**WHEREAS**, the board of directors of the Corporation (the "**Board**") has determined it is in the best interests of the Corporation to provide the Grantee with this Agreement and the RSU Grant Certificate pursuant to and in accordance with the terms of the Plan.

**NOW, THEREFORE**, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree to the following:

#### ARTICLE I GRANT OF RESTRICTED STOCK UNITS

**Section 1.1. Grant of Restricted Stock Units.** Subject to the terms and conditions set forth herein and in the Plan, the Corporation hereby grants to the Grantee the number of Restricted Stock Units ("**RSUs**") provided in the RSU Grant Certificate (with each RSU representing an unfunded, unsecured right to receive one share of Common Stock upon vesting, subject to any adjustment pursuant to Section 9 of the Plan).

#### ARTICLE II VESTING AND SETTLEMENT OF RESTRICTED STOCK UNITS

##### **Section 2.1. Vesting of RSUs.**

- (a) Subject to the terms and conditions contained herein and in the Plan, the RSUs shall vest as provided in the RSU Grant Certificate and this Section 2.1.
  - (i) Subject to the Grantee's continued service as a director of the Corporation ("**Service**") through the Service Vesting Date(s) as specified in the RSU Grant Certificate, the RSUs shall become vested on such date(s) as to the percentage(s) of RSUs set forth in the RSU Grant Certificate.
  - (ii) If, prior to the date the RSUs are vested as provided in Section 2.1(a)(i) above or otherwise terminate pursuant to Section 2.1(b) below: (A) the Grantee dies or experiences a Disability or (B) there occurs a Change in Control, then all unvested RSUs shall be vested as a result thereof.
  - (iii) All RSUs that become vested under this Section 2.1(a) shall be Settled pursuant to Section 2.2 of this Agreement.
- (b) If the Grantee's Service terminates prior to an applicable Service Vesting Date for any reason other than due to the Grantee's death or Disability, all then unvested RSUs shall immediately terminate and be forfeited without consideration, and no shares of Common Stock shall be delivered hereunder.

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##### **Section 2.2. Settlement of RSUs.**

- (a) To the extent that an RSU becomes vested and the applicable Service Vesting Date has occurred, the applicable percentage of RSUs shall be Settled as soon as administratively practicable on or following the applicable Service Vesting Date. The Settlement of RSUs that become vested upon (i) a termination of Service due to Grantee's death or Disability, as applicable, in accordance with Section 2.1(a)(ii), shall not be accelerated such that any such RSUs shall be Settled as soon as administratively practicable on or following the applicable Service Vesting Date as set forth on the RSU Grant Certificate that such RSUs would otherwise have become vested and (ii) a Change in Control shall be as soon as administratively practicable on or following the date of the consummation of the Change in Control. The date on which any RSU is to be Settled hereunder is referred to as a "**Delivery Date.**"
- (b) On any Delivery Date, each vested RSU being Settled shall be cancelled in exchange for the Corporation delivering to the Grantee the number of shares of Common Stock equal to the number of RSUs that are to be Settled on such Delivery Date pursuant to Section 2.2(a). The foregoing deliveries shall in all instances be subject to Sections 4.4 and 4.6.

- (c) Subject to the provisions of this Article II relating to the number of RSUs that are to be Settled on any applicable Delivery Date and solely to the extent permitted under Section 409A, if applicable, the Corporation may impose such other conditions and procedures in relation to the Settlement of RSUs as it may reasonably determine, including with respect to the Transfer of shares of Common Stock received upon a Settlement.

**Section 2.3. No Dividend Payments.** The RSUs granted to the Grantee hereunder do not include the right to receive any dividend payments.

### ARTICLE III RESTRICTIONS ON TRANSFERS

**Section 3.1. Transfer Restrictions on RSUs.**

- (a) The Grantee may not Transfer all or any portion of the Grantee's RSUs to any Person (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator.
- (b) Prior to a Transfer of any RSUs to any Person that the Administrator consents to, such Person must consent in writing to be bound by this Agreement and deliver such consent to the Administrator.
- (c) Any purported Transfer of RSUs that is not in accordance with this Section 3.1 is null and void.

### ARTICLE IV MISCELLANEOUS

**Section 4.1. Governing Law.** This Agreement and RSU Grant Certificate shall be governed by, and construed in accordance with, the laws of the State of New York, United States of America, without giving effect to any otherwise governing principles of conflicts of law that would apply the Laws of another jurisdiction.

**Section 4.2. Plan.** The terms and provisions of the Plan are incorporated herein by reference. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Agreement, the Plan shall govern and control.

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**Section 4.3. Arbitration.** EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE U.S. FEDERAL AND STATE COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 4.3, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by arbitration conducted by a single arbitrator in New York, New York in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution. The arbitrator shall be a lawyer with substantial experience in the alternative asset management industry. The parties shall first confer in good faith in an attempt to agree upon a mutually acceptable arbitrator with the qualifications specified in this Section 4.3. If the parties to the dispute fail to agree on the selection of an arbitrator within 30 days of the receipt of the request for arbitration, the arbitrator shall be selected in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution, provided that the selected arbitrator shall have the qualifications specified in this Section 4.3. The arbitrator shall conduct the proceedings in the English language. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The arbitrators shall have the authority to award any remedy or relief that a court of competent jurisdiction could order or grant, including, without limitation, the issuance of an injunction. However, either party may, without inconsistency with this arbitration provision, bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling the other party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, or enforcing an arbitration award. The Grantee irrevocably appoints the Secretary or **Chief Legal Officer and** General Counsel of the Corporation as such Grantee's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Grantee of any such service of process, shall be deemed in every respect effective service of process upon the Grantee in any such action or proceeding. Except as necessary in court proceedings to enforce this arbitration provision or an award rendered hereunder, to obtain interim relief or as otherwise required by law, neither a party nor an arbitrator may disclose the content or results of any arbitration hereunder without the prior written consent of the Corporation and the Grantee, other than general statements.

**Section 4.4. Remedies; Recoupment; Right to Set-Off.**

- (a) The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law or under the terms of any other applicable agreement.



- (b) To the extent required or advisable, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules promulgated thereunder and any other similar Laws including, as applicable, but not limited to the European Directives 2011/61/EU, 2013/36/EU and 2014/91/EU, the Administrator may specify in any other document or a policy to be incorporated into this Agreement by reference, that the Grantee's rights, payments, and benefits with respect to RSUs awarded hereunder and/or Common Stock delivered to the Grantee in respect of RSUs awarded hereunder shall be subject to reduction, cancellation, forfeiture or recoupment.
- (c) The Grantee further acknowledges and agrees that KKR Group shall have the right to clawback, forfeit, cancel, recoup, reduce or set-off any distribution or payment that is due or payable (or that the Administrator reasonably determines may become due or payable) to the Grantee pursuant to any agreement with the KKR Group (including but not limited to partnership agreements of KKR Holdings II L.P. and KKR Associates Holdings L.P.) or otherwise for the purpose of fulfilling any present or future obligation or liability of whatever nature (whether matured or unmatured, absolute or contingent) that the Grantee has to make (or that the Administrator reasonably determines may become such an obligation or liability to make) any payment or contribution to the KKR Group, regardless of whether the payment or contribution is currently due or payable, or may be due or payable in the future, whether in advance of or without adjudication *provided* that the Administrator must act in good faith when determining any contribution or payment that may become due or payable as a result of damage to the KKR Group arising from a breach by Grantee of any of

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Grantee's agreements with the KKR Group or other wrongdoing), and notwithstanding any other agreements between the Grantee and the KKR Group entered into prior to the date hereof.

#### **Section 4.5. Amendments and Waivers.**

- (a) This Agreement (including the RSU Grant Certificate and Appendices A and B attached hereto, as applicable) may be amended, supplemented, waived or modified only in accordance with Section 4(b) of the Plan or Section 13 of the Plan, as applicable, or as may be required for purposes of compliance or enforceability with applicable local Law; *provided, however*, that the RSU Grant Certificate shall be deemed amended from time to time to reflect any adjustments provided for under the Plan.
- (b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**Section 4.6. Withholding.** The provisions of Section 4(d) of the Plan are incorporated herein by reference and made a part hereof. Regardless of any action the Corporation takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("**Tax-Related Items**"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and may exceed the amount, if any, actually withheld by the Corporation. The Grantee further acknowledges that the Corporation (1) makes no representations or undertakings regarding the treatment of any Tax-Related Items and (2) is under no obligation to structure the terms of the RSUs to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. Furthermore, if the Grantee is subject to tax in more than one jurisdiction, the Grantee acknowledges that the Corporation may be required to withhold or account for Tax-Related Items in more than one jurisdiction. The Corporation may refuse to issue or deliver Common Stock or the proceeds of the sale of Common Stock, if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items as set forth in this Section 4.6.

**Section 4.7. Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified):

- (a) If to the Corporation, to:  
  
KKR & Co. Inc.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: **Chief Legal Officer and General Counsel and Secretary**
- (b) If to the Grantee, to the most recent address for the Grantee in the books and records of the Corporation.

#### **Section 4.8. Entire Agreement; Termination of Agreement; Survival.**



- (a) This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, pertaining thereto. The Grantee acknowledges that the grant of RSUs provided for under this Agreement is in full satisfaction of any and all grants of equity or equity-based awards that

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representatives of the Corporation or its Affiliates, on or prior to the date hereof, may have informed the Grantee that such Grantee is entitled to receive.

- (b) This Agreement shall terminate when the Grantee and all Permitted Transferees cease to hold any of the RSUs that have been granted hereunder. Notwithstanding anything to the contrary herein, this Article IV shall survive any termination of this Agreement.

**Section 4.9. Severability.** If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

**Section 4.10. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

**Section 4.11. Appendices.** Appendices A and B constitute part of this Agreement.

**Section 4.12. Further Assurances.** The Grantee shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

**Section 4.13. Section 409A; Service.**

- (a) This Section 4.13(a) applies to Grantees who are U.S. tax residents (such as, a U.S. citizen, green card holder or a U.S. tax resident under the substantial presence test) to the extent applicable. All references to any "separation from service" or termination of Services to be provided by the Grantee shall be deemed to refer to a "separation from service" within the meaning of Section 409A, if applicable. Notwithstanding anything herein to the contrary, (i) if at the time of the Grantee's termination of Service the Grantee is a "specified employee" as defined in Section 409A of the Code and the deferral of the commencement of any payments or delivery of Common Stock otherwise payable or provided hereunder as a result of such termination of Service is necessary in order to prevent any accelerated or additional tax under Section 409A, then, to the extent that Section 409A applies to the RSUs, the Corporation will defer the commencement of the payment of any such payments or delivery hereunder (without any reduction in such payments or delivery of Common Stock ultimately paid or provided to the Grantee) until the date that is six months following the Grantee's termination of Service (or the earliest date as is permitted under Section 409A) and (ii) if any other payments or other deliveries due to the Grantee hereunder could cause the application of an accelerated or additional tax under Section 409A, such payments or other deliveries shall be deferred if deferral will make such payment or other delivery compliant under Section 409A, or otherwise such payment or other delivery shall be restructured, to the extent possible, in a manner, determined by the Administrator, that does not cause such an accelerated or additional tax. The Corporation shall use commercially reasonable efforts to implement the provisions of this Section 4.13(a) in good faith; *provided* that none of the Corporation, the Administrator nor any of the Corporation's or its affiliates' employees, directors or representatives shall have any liability to the Grantee with respect to this Section 4.13(a).
- (b) Nothing in this Agreement shall be deemed to obligate the Corporation to employ the Grantee in any capacity whatsoever or to prohibit or restrict the Corporation from terminating the Grantee's Service at any time or for any reason whatsoever.

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**Section 4.14. Counterparts.** This Agreement may be executed and delivered (including by facsimile **electronic** transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

[Rest of page intentionally left blank]

IN WITNESS WHEREOF, the Corporation has executed this Agreement as of the date specified under the signature of the Grantee.

KKR & CO. INC.

KKR & CO. INC

By: \_\_\_\_\_

Name:

Title:

IN WITNESS WHEREOF, the undersigned Grantee has caused this counterpart signature page to this Agreement to be duly executed as of the date specified under the signature of the Grantee.

"GRANTEE"

**Electronic Signature**

Name: **Participant Name**

Grant Acceptance Date: **Grant Acceptance Date**

## APPENDIX A

### DEFINITIONS

In addition to the defined terms set forth in the Plan, the following terms shall have the following meanings for purposes of the Agreement:

"**Disability**" means, as to any Person, such Person's inability to perform in all material respects such Person's duties and responsibilities to the Corporation by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the Administrator may reasonably determine in its sole discretion.

"**Group Partnership**" means KKR Group Partnership L.P., a Cayman Island exempted limited partnership, along with its successor and any other legal entity designated in the future as a "Group Partnership" by the Corporation.

"**KKR Group**" means (i) the Corporation and KKR Management LLP (and its successors), (ii) any direct or indirect subsidiaries of the Corporation, including but not limited to the Group Partnership and its direct and indirect subsidiaries (not including Portfolio Companies), (iii) KKR Associates Holdings L.P. and KKR Associates Reserve L.P., their respective general partners, and the direct or indirect subsidiaries of KKR Associates Holdings L.P. and KKR Associates Reserve L.P., respectively, and (iv) any investment fund, account or vehicle that is managed, advised or sponsored by any member of the KKR Group.

"**Law**" means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Corporation or any Grantee, as the case may be.

"**Permitted Transferee**" means (A) any person who is a "family member" of the Grantee, as such term is used in the instructions to Form S-8 under the Securities Act of 1933, as amended, or any successor form of registration statement promulgated by the Securities and Exchange Commission (collectively, the "**Immediate Family Members**"); (B) a trust solely for the benefit of the Grantee and his or her Immediate Family Members; (C) a partnership or limited liability company whose only partners or stockholders are the Grantee and his or her Immediate Family Members; (D) a beneficiary to whom donations are eligible to be treated as "charitable contributions" for federal income tax purposes; or (E) any other Person the Administrator consents to.

"**Person**" means any individual, corporation, partnership, limited liability company, trust, joint stock company, business trust, unincorporated association, joint venture, governmental authority or other entity of any nature whatsoever.

"**Portfolio Company**" means any portfolio companies, joint ventures or affiliated investments that are held as such by the KKR Group.

"**RSU Grant Certificate**" means the RSU Grant Certificate delivered to the Grantee and attached to this Agreement, as the same may be modified pursuant to Section 4.5(a) of the Agreement.

"**Section 409A**" means Section 409A of the U.S. Internal Revenue Code of 1986, as the same may be amended from time to time, and the applicable regulations, including temporary regulations, promulgated under such Section, as such regulations may be amended from

time to time (including corresponding provisions of succeeding regulations).

“**Service Vesting Date**” means, with respect to any RSU, any date set forth in the RSU Grant Certificate as a “Service Vesting Date.”

“**Settle**”, “**Settled**” or “**Settlement**” means the discharge of the Corporation’s obligations in respect of an RSU through the delivery to the Grantee of Common Stock in accordance with Article II.

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“**Transfer**” or “**Transferred**” means with respect to any RSU or Common Stock, as applicable, any (i) sale, assignment, transfer or other disposition thereof or any interests therein or rights attached thereto, whether voluntarily or by operation of Law, or (ii) creation or placement of any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

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Exhibit 10.24

Dollars-At-Work Grant Certificate

Exhibit 10.29

|                                             |                                                                                                                                                                                                            |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Allocation of Dollars-At-Work               |                                                                                                                                                                                                            |
| Limited Partner:                            |                                                                                                                                                                                                            |
| Grant Date:                                 |                                                                                                                                                                                                            |
| Fund Investments Subject to DAW:            |                                                                                                                                                                                                            |
| Total DAW Allocation (in US Dollars):       |                                                                                                                                                                                                            |
| Vesting Schedule:                           | DAW will vest pro rata on each applicable service vesting date set forth in the chart immediately below (the “Pro Rata Vesting DAW”), subject to the other terms and conditions of this Grant Certificate: |
| Percentage of Pro Rata Vesting DAW Vesting: | Applicable Service Vesting Date:                                                                                                                                                                           |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Acceptance and Agreement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Reference is made to the Amended and Restated Limited Partnership Agreement, dated October 1, 2009, as amended (the “Partnership Agreement”), of KKR Associates Holdings L.P. (the “Partnership”). Capitalized terms used but not defined in this Dollars-At-Work Grant Certificate (this “Grant Certificate”) have the meanings given to them in the Partnership Agreement. The Limited Partner identified above (the “Grantee”) and the Limited Partner interests in certain Carry Proceeds as contemplated by the Partnership Agreement (“Dollars-at-Work” or “DAW”) that are granted hereby shall be subject to the terms and conditions set forth in this Grant Certificate and the Partnership Agreement. All references to the Grant Certificate shall include <u>Appendix A</u> and <u>Appendix B</u> hereto. |
| In order to accept the DAW allocated to you by this Grant Certificate, please check the box below to confirm your acceptance of and agreement to be bound by this Grant Certificate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <div><input type="checkbox"/></div> By checking this box, (i) I accept this Grant Certificate and agree to be bound by all of the terms and conditions of this Grant Certificate, including <u>Appendix A</u> and <u>Appendix B</u> hereto, as a legally binding agreement between the Grantee and the Partnership; (ii) I represent and warrant that I am duly authorized to accept and agree to be bound by this Grant Certificate; and (iii) I agree that this Grant Certificate shall be governed by, and construed in accordance with the laws of the Cayman Islands (except as set forth in                                                                                                                                                                                                                     |

Appendix B hereto) and that Sections 8 and 19(3) of the Electronic Transactions Act (As Revised) of the Cayman Islands shall not apply to this Grant Certificate. I agree, and it is my intent, to sign this document by checking this box and electronically submitting this document to the General Partner on behalf of the Partnership. It is my intent to be legally bound by this Grant Certificate, and I understand that my checking this box and submitting this document in this fashion is the legal equivalent of having placed my handwritten signature on the submitted document and delivering it to the General Partner on behalf of the Partnership.

Appendix A

### Terms and Conditions

Subject to the Grantee's acceptance of and agreement to be bound by this Grant Certificate, the Partnership hereby issues to the Grantee the DAW from certain Fund Investments identified in this Grant Certificate as allocated to the Grantee as a Participating Partner in the books and records of the Partnership, subject to the other terms and conditions of this Grant Certificate and the Partnership Agreement. The DAW granted hereby is unvested as of the Grant Date and will vest as set forth in the vesting schedule specified above, subject to the terms and conditions contained in this Grant Certificate. Except as provided in this Grant Certificate or otherwise determined by the General Partner, in its sole discretion, any DAW that has not vested as of the earlier of the Date of Termination and Termination Notice Date shall immediately be forfeited as of such earlier date for no consideration.

Notwithstanding anything to the contrary in this Grant Certificate, the Partnership Agreement or any other document, this grant of DAW is conditioned upon and subject to the Grantee's agreement to be bound by the Confidentiality and Restrictive Covenant Agreement that is included hereto as Appendix B, which shall constitute a "Confidentiality and Restrictive Covenant Agreement" under the Partnership Agreement (and which shall be amended or replaced after the date hereof in any Confidentiality and Restrictive Covenant Agreement executed by the Grantee with the Partnership, KKR & Co. Inc. or any of their respective Affiliates). In addition, all references to Grantee in this Grant Certificate shall include all of the Grantee's Affiliates, as necessary in order to give full effect to the provisions set forth herein, including references to the individual having Employment with the KKR Group if the Grantee is a trust or other estate planning vehicle of such individual.

#### **1 Definitions**

The capitalized terms below have the following definitions for purposes of this Grant Certificate, and in the event of any conflict in the definitions provided in this Appendix A and Appendix B, the definitions set forth in Appendix B shall apply only to Appendix B.

**"Cause"** means, with respect to the Grantee, the occurrence or existence of any of the following as determined fairly on an informed basis and in good faith by the General Partner or the Designated Service Recipient (as defined in Appendix B): (i) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct by the Grantee against any member of the KKR Group (including the Corporation (as defined in Appendix B)) or a Portfolio Company (as defined in Appendix B), (ii) a Regulatory Violation<sup>1</sup>

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<sup>1</sup> **"Regulatory Violation"** means, with respect to the Grantee (i) a conviction of the Grantee based on a trial or by an accepted plea of guilt or nolo contendere of any felony or misdemeanor crime involving moral turpitude, false statements, misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery, (ii) a final determination by any court of competent jurisdiction or governmental regulatory body (or an admission by the Grantee in any settlement agreement) that the Grantee has violated any U.S. federal or state or comparable non-U.S. securities laws, rules or regulations or (iii) a final determination by self-regulatory organization having authority

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with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations (or an admission by the Grantee in any settlement agreement) that the Grantee has violated the written rules of such self-regulatory organization that are applicable to any member of the KKR Group.

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that has a material adverse effect on (x) the business of any member of the KKR Group or (y) the ability of the Grantee to function as an employee, associate or in any similar capacity (including consultant) with respect to the KKR Group, taking into account the services required of the Grantee and the nature of the business of the KKR Group, or (iii) a material breach by the Grantee of a material provision of any Written Policies & Agreements<sup>2</sup> or the deliberate failure by the Grantee to perform the Grantee's duties to the KKR Group, provided that in the case of this clause (iii), the Grantee has been given written notice of such breach or failure within 45 days of the KKR Group becoming aware of such breach or failure and, where such breach or failure is curable, the Grantee has failed to cure such breach or failure within (A) 15 days of receiving notice thereof or (B) such longer period of time, not to exceed 30 days, as may be reasonably necessary to cure such breach or failure provided that the Grantee is then working diligently to cure such breach or failure; and provided further, that if such breach or failure is not capable of being cured, the notice given to the Grantee may contain a date of termination that is earlier than 15 days after the date of such notice. The General Partner and the Grantee intend that this definition should conform to the definition of "Cause" contained in any of the Grantee's Grant Agreements to the extent determined by the General Partner, in its sole discretion, to conform to such Grant Agreement, and the General Partner is authorized, but not obligated, to apply any changes therein occurring after the date of this Grant Certificate to this definition with respect to such Grantee without requiring such Grantee's consent pursuant to this Grant Certificate or the Partnership Agreement.

**"Date of Termination"** means the date on which the Grantee becomes a Terminated Grantee.

**"Determination Date"** means the date on which the General Partner makes its determination with respect to the Grantee's Confidentiality and Restrictive Covenant Agreement or Employment as contemplated by this Grant Certificate; provided that the General Partner, in its sole discretion, may instead select the Termination Notice Date or the Date of Termination to be the Determination Date.

**"Disability"** means the Grantee's inability to perform in all material respects the Grantee's duties and responsibilities to the KKR Group, by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the General Partner may reasonably determine in its sole discretion. The General Partner and the Grantee intend that this definition should conform to the definition of "Disability" contained in any of the Grantee's Grant Agreements to the extent determined by the General Partner, in its sole discretion, to conform to such Grant Agreement, and the General Partner is authorized, but not obligated, to apply any changes therein occurring after the date of this Grant Certificate to this definition with respect to such Grantee without requiring such Grantee's consent pursuant to this Grant Certificate or the Partnership Agreement.

**"Employment"** means the Grantee's employment or engagement (including any similar association determined by the General Partner to constitute employment or engagement for purposes of this Grant Certificate) with (x) a member of the KKR Group or (y) any consultant or service provider that provides services to any member of the KKR Group; provided that in the case of clause (y), the services provided by service provider must be approved in writing by the General Partner, in its sole discretion, in order to qualify as "Employment" for this Grant Certificate, and any accelerated vesting set forth in Grant Certificate shall not apply to them unless otherwise determined by the General Partner in its sole discretion. The General Partner and the Grantee intend that this definition should conform to the definition of "Employment" contained in any of the Grantee's Grant Agreements to the extent determined by the General Partner, in its sole discretion, to conform to such Grant Agreement, and the General Partner is authorized to apply any changes therein occurring after the date of this Grant Certificate to this definition with respect to such Grantee without requiring such Grantee's consent pursuant to this Grant Certificate or the Partnership Agreement.

**"Good Standing"** means the Grantee is not (i) suspended, (ii) on administrative leave for conduct or compliance reasons, or (iii) under investigation relating to conduct that may result in a termination for Cause.

**"Grant Agreement"** means, with respect to the Grantee, any equity award agreement accepted by such Grantee under the Amended and Restated KKR & Co. Inc. 2010 Equity Incentive Plan, the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan, as it may be amended or restated from time to time, or any other equity incentive plan of KKR & Co. Inc. (or its successor).

**"KKR Group"** means (i) the KKR & Co. Inc. and KKR Management LLP (and its successors), (ii) any direct or indirect subsidiaries of KKR & Co. Inc., including but not limited to the Group Partnership and its direct and indirect subsidiaries (not including Portfolio Companies (as defined in Appendix B)), (iii) the Partnership and KKR Associates Reserve L.P., their respective general partners and successors, and their respective direct and indirect subsidiaries, and (iv) any investment fund, account or vehicle that is managed, advised or sponsored by any direct or indirect subsidiary of KKR & Co. Inc.

**"Retirement"** means the resignation by the Grantee of the Grantee's Employment with the KKR Group (other than for Cause), on or after the date that the Grantee's age plus the Grantee's years of Employment with KKR Group equals at least 80. The General Partner and the Grantee intend that this definition should conform to the definition of "Retirement" contained in any of the Grantee's Grant Agreements to the extent determined by the General Partner, in its sole discretion, to conform to such Grant Agreement, and the General Partner is authorized to apply any changes therein occurring after the date of this Grant Certificate to this definition with respect to such Grantee without requiring such Grantee's consent pursuant to this Grant Certificate or the Partnership Agreement.

**"Terminated Grantee"** means the earlier to occur of (i) withdrawal by or removal of the Grantee from the Partnership for any reason, (ii) termination of the Grantee's Employment for any reason (including but not limited to Retirement), (iii) subject to the General Partner's sole discretion, the date on which (x) a Termination Notice is provided by or to the Grantee, or (y) the Grantee is no longer in Good Standing in Grantee's Employment or is deemed not to be in Good Standing in Grantee's Employment, and (iv) with respect to any Family Related Partner (as defined in the Partnership Agreement) of the Grantee or any transferee of any of the Grantee's interests in the Partnership, the date on which the Grantee becomes a Terminated Grantee.

**"Termination Notice"** means a notice of termination of the Grantee's Employment for any reason (including but not limited to Retirement) provided by either the Grantee or a member of the KKR Group.

2 **"Written Policies & Agreements"** means with respect to (i) any Grantee having Employment with a member of the KKR Group, the written policies of the KKR Group included in its employee manual, code of ethics and confidential information and information barrier policies and procedures and other documents relating to the Grantee's Employment with the KKR Group, as applicable, and any agreements between the Grantee and a member of the KKR Group relating to the Grantee's Employment with the KKR Group, including but not limited to an employment agreement, if any, and this Confidentiality and Restrictive Covenant Agreement, and (ii) any Grantee having an Employment with a consultant or service provider (as approved by the Designated Service Recipient) that is not a member of the KKR Group, the written policies of the KKR Group included in its code of ethics and confidential information and information barrier policies and procedures and other documents of the KKR Group relating to the Grantee's services to the KKR Group, as applicable, and any agreements between the Grantee or such consultant or service provider, on the one hand, and any member of the KKR Group, on the other, relating to Grantee's services to the KKR Group, including but not limited to a consulting agreement.

**"Termination Notice Date"** means the date on which a Termination Notice is provided by the Grantee or a member of the KKR Group.

## **2 Vesting**

(a) **Pro Rata Vesting.** Subject to Section 4 of this Appendix A, Pro Rata Vesting DAW will vest as set forth in the chart above in the "Vesting Schedule" at the beginning of this Grant Certificate, subject to Grantee's continued Employment in Good Standing on the Applicable Service Vesting Date indicated in such chart without a Termination Notice being delivered to or by the Grantee. Vesting will be effective only on December 31 of the applicable year (subject to Grantee's continued Employment in Good Standing on such date without a Termination Notice being delivered to or by the Grantee) and will not be prorated for partial years, except as otherwise determined by the General Partner, in its sole discretion. The Partnership shall be entitled to recoup pursuant to Section 5 any Carry Proceeds that the Grantee received prior to the Date of Termination with respect to any portion of the Pro Rata Vesting DAW that was unvested at the time that such Carry Proceeds were then received by the Grantee.

(b) **Acceleration and Distributions.** Notwithstanding anything to the contrary in Section 2(a) above, the General Partner may determine, in its sole discretion, to accelerate any vesting arrangements, including, without limitation, immediate vesting or vesting on a date other than December 31. In addition, the Grantee acknowledges and agrees that the General Partner is authorized and entitled to establish reasonable policies and procedures with respect to the distribution of Carry Proceeds in the ordinary course, including the establishment of specific dates on which Carry Proceeds are distributed to similarly situated Grantees.

## **3 Changes in Employment Status**

(a) With respect to Pro Rata Vesting DAW, if the Grantee becomes a Terminated Grantee or if a Termination Notice is provided before the Grantee's DAW is 100% vested, the Grantee will not be entitled to any additional vesting in respect of any such DAW after the earlier to occur of the Termination Notice Date or the Date of Termination, except as otherwise determined by the General Partner, in its sole discretion.

(b) Except as otherwise determined by the General Partner, in its sole discretion, the Grantee shall not be entitled to receive any Carry Proceeds that may have accrued with respect to the Grantee's DAW between (x) the earlier of the date on which the Grantee becomes a Terminated Grantee and the Termination Notice Date and (y) the date on which (i) the General Partner has ordinarily set for distributions of Carry Proceeds to Limited Partners of the Partnership and (ii) immediately follows the date identified in clause (x).

## **4 Death, Disability or Retirement**

(a) Upon the death or Disability of the Grantee, the Grantee's Pro Rata Vesting DAW will automatically become 100% vested but only if the Grantee is not a Terminated Grantee and no Termination Notice has been provided at such time, and except as otherwise determined by the General Partner, in its sole discretion.

(b) Upon the Retirement of the Grantee, the Grantee's Pro Rata Vesting DAW will automatically vest with respect to the portion of the Pro Rata Vesting DAW that would have vested on the next two Applicable Service Vesting Dates, except as otherwise determined by the General Partner, in its sole discretion.



**5 Forfeiture and Clawback for Breach of Restrictive Covenant; Reduction, Clawback and Right of Set Off; Reserve; Profits Interest**

(a) Upon the determination by the General Partner, in its sole discretion, that (x) the Grantee has breached, in any significant or intentional manner, the Grantee's Confidentiality and Restrictive Covenant Agreement or that (y) the Grantee's Employment is terminated for Cause: (i) the Grantee shall immediately forfeit all of the Grantee's rights and entitlements with respect to the Grantee's DAW and any other payments or benefits with respect to the Grantee's interest in any Fund Investment, if any, in each case, whether or not then vested, following the Determination Date; and (ii) the General Partner shall not be required to cause the Partnership to distribute any additional amounts with respect to the Grantee's DAW or any other payments or benefits with respect to the Grantee's interest in any Fund Investment, if any, to the Grantee, on or following the Determination Date; provided that to the extent the General Partner has distributed such amounts as described in this clause (ii), the General Partner, in its sole discretion, may require the Grantee to repay to the Partnership (by the date specified by the General Partner), an amount in cash equal to any such amounts distributed as described in this clause (ii).

(b) The General Partner may, in its sole discretion, determine to apply any of the provisions, or refrain from applying any of the provisions, of the foregoing paragraph, including but not limited to (x) determining whether there has occurred any breach (including anticipatory breach) of the Confidentiality and Restrictive Covenant Agreement or whether the Grantee's Employment is terminated for Cause, (y) determining to permit the forfeiture of less than all of the Grantee's rights and entitlements with respect to the Grantee's DAW or (z) determining that no amounts or less than all of the distributions made pursuant to clause (ii) of the prior paragraph is required to be returned to the Partnership.

(c) If the Grantee receives any amount in excess of what the Grantee is entitled to receive as a DAW for any reason (including without limitation by reason of a financial restatement, mistake in calculations or other administrative error or to the extent necessary to comply with any applicable law or regulation), then the Grantee shall be required to repay such excess amount to the Partnership. In furtherance of the foregoing, and notwithstanding any provision in the Partnership Agreement to the contrary, the Grantee acknowledges and agrees that the Grantee is obligated to return to the Partnership the Grantee's share of any amount of Fund Carry Clawback that the Group Partnership, directly or indirectly through one or more of its subsidiaries, is obligated to return to a Fund (such obligations of the Grantee, the "**Clawback Obligations**"). To assist with the Grantee's obligation to fund the Grantee's Clawback Obligations, the Grantee acknowledges and agrees that the General Partner has been and is authorized to withhold (and to establish, or cause to be established, a reserve to be funded by) a reasonable portion of the Carry Proceeds that would otherwise be distributed to the Grantee pursuant to the Partnership Agreement. The Grantee shall not be required to return any amount of the Grantee's Clawback Obligations in excess of (x) the total distributions of Carry Proceeds received by (or held in reserve for) the Grantee in respect of the Fund for which the Grantee's Clawback Obligation arises (ignoring the effect of any taxes paid or payable by the Grantee) less (y) any amounts that the Fund Carry Clawback for such Fund permits to be deducted from the amount to be returned to such Fund, including taxes paid or payable, if applicable. Any amounts held in reserve for the Grantee in respect of the applicable Fund for which the Grantee's Clawback Obligation arises shall be applied to satisfy such Clawback Obligation prior to requesting the Grantee to remit any additional amounts to satisfy such Clawback Obligation.

(d) Without limiting any other provision in the Grant Certificate or in the Partnership Agreement, the General Partner shall have the right to clawback, forfeit, cancel, recoup, reduce or set-off any distribution or payment that is due or payable (or that the General Partner reasonably determines may become due or payable) to the Grantee pursuant to any agreement with the KKR Group or otherwise for the purpose of fulfilling any present or future obligation or liability of whatever nature (whether matured or unmatured, absolute or contingent) that such Grantee has to make (or that the General Partner

reasonably determines may become such an obligation or liability to make) of any payment or contribution to the KKR Group, regardless of whether the payment or contribution is currently due or payable, or may become due or payable in the future, whether in advance of or without adjudication (provided that the General Partner must act in good faith when determining any such reduction or set-off), and notwithstanding any other agreements between such Grantee and the KKR Group and their respective Affiliates entered into prior to the date hereof. The General Partner, KKR & Co. Inc. and their respective Affiliates are expressly authorized to take any and all actions on the Grantee's behalf (including, without limitation, payment, credit and satisfaction of amounts owed) in connection with the clawback, forfeit, cancel, recoup, reduce or set-off of any amount pursuant hereto. For all purposes of this Grant Certificate and the Partnership Agreement, KKR Holdings II L.P. is an Affiliate of KKR & Co. Inc.

(e) It is intended that the DAW granted to the Grantee in connection with this Grant Certificate constitutes a "profits interest" for U.S. federal (and applicable state) tax purposes that satisfies the requirements for a partnership profits interest transferred in connection with the Grantee's services to the Partnership and its Affiliates, including the KKR Group, as set forth in IRS 93-27 and 2001-43, or any future IRS guidance or other authority that supplements the foregoing IRS Revenue Procedures (a "**Profits Interest**"). Notwithstanding any other provision in this Grant Certificate or the Partnership Agreement, the General Partner shall have the right to (i) clawback, forfeit, cancel, recoup or reduce any distribution or payment made to a Grantee by the Partnership and/or (ii) set-off any distribution or payment that is due and payable (or that the General Partner reasonably determines may become due and payable) to the Grantee pursuant to any agreement with the KKR Group or otherwise (any such actions described in (i) and (ii), a "**Profits Interest Clawback**"), in each case to the extent the General Partner determines that the Grantee has received cash distributions in respect of the DAW in excess of the amount of economic profits (determined in accordance with U.S. federal income tax principles from time to time) that are attributable to the DAW and which have accrued after the date of the Grantee's admission to the Partnership (such excess, the "**Profits Interest Clawback Amount**"); provided that the Profits Interest Clawback Amount may be reduced by any Taxes paid by the Grantee in respect of income to which such cash distributions relate as determined by the General Partner. Any determination made by the General Partner pursuant to this Section 5(e) shall be conclusive and binding absent bad faith.

## 6 Miscellaneous

(a) The General Partner's determination, in its sole discretion, of any of the matters set forth in this Grant Certificate shall be final, binding and conclusive, when evidenced by a written instrument made by or on behalf of the General Partner and entered into the books and records of the Partnership. Without limiting the foregoing, any determination of whether the Grantee's Employment has been terminated or suspended, or whether a notice of termination or suspension of the Grantee's Employment has been provided or delivered, for purposes of this Grant Certificate shall be made by the General Partner in its sole discretion.

(b) In the event of a conflict between any term or provision contained in the Partnership Agreement and the Grant Certificate, the applicable terms and provisions of the Grant Certificate will govern and prevail, except that notwithstanding the foregoing or any other provision in this Grant Certificate to the contrary, nothing in this Grant Certificate is intended to amend, modify or override the Grantee's obligations to return Carry Interest proceeds in respect of a Fund Carry Clawback as contemplated by Section 5.5 of the Partnership Agreement. Except as otherwise explicitly amended by this Grant Certificate, the provisions of the Partnership Agreement remain in full force and effect and shall be incorporated herein by reference.

(c) This Grant Certificate shall be governed by, and construed in accordance with, the laws of the Cayman Islands without giving effect to any governing principles of conflicts of law that would apply the laws of another jurisdiction.

Exhibit 10.26

### RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN (EXECUTIVE – MARKET CONDITION)

Pursuant to this Restricted Holdings Unit Grant Certificate, the Restricted Holdings Unit Agreement (as attached hereto) (the "**Restricted Holdings Unit Agreement**") and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as may be amended from time to time, the "**Plan**"): (i) KKR Group Partnership L.P., a Cayman Islands exempted limited partnership ("**KKR Group Partnership**"), hereby issues the number of unvested profits interests in KKR Group Partnership, in the form of KKR Group Partnership Class P units ("**Class P Units**"), set forth below to KKR Holdings II L.P., a Cayman Islands exempted Delaware limited partnership ("**Holdings II**"); (ii) Holdings II hereby issues an equal number of unvested profits interests in Holdings II, in the form of Holdings II Class A units ("**Holdings II Units**" and, together with the related Class P Units (or Class A Units upon automatic conversion, as applicable), "**Restricted Units**"), to the Grantee; and (iii) KKR & Co. Inc. (the "**Corporation**") hereby grants an equal number of stock exchange rights ("**SERs**" and, together with the related Restricted Units, the "**Restricted Holdings Units**" or "**RHUs**") to the Grantee. The RHUs are subject to all of the terms and conditions set forth herein, and in the Limited Partnership Agreement of KKR Group Partnership, the Limited Partnership Agreement of Holdings II and the Restricted Holdings Unit Agreement, as applicable. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Restricted Holdings Unit Agreement (including Appendix A to the Restricted Holdings Unit Agreement) and the Plan.

| Grantee: | Participant Name |
|----------|------------------|
|----------|------------------|

| Grant Date: | Grant Date |
|-------------|------------|
|-------------|------------|

| Number of RHUs: | Number of Units Granted |
|-----------------|-------------------------|
| 1               | 1                       |
| 2               | 2                       |
| 3               | 3                       |
| 4               | 4                       |
| 5               | 5                       |
| 6               | 6                       |
| 7               | 7                       |
| 8               | 8                       |
| 9               | 9                       |
| 10              | 10                      |
| 11              | 11                      |
| 12              | 12                      |
| 13              | 13                      |
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| 91              | 91                      |
| 92              | 92                      |
| 93              | 93                      |
| 94              | 94                      |
| 95              | 95                      |
| 96              | 96                      |
| 97              | 97                      |
| 98              | 98                      |
| 99              | 99                      |
| 100             | 100                     |

**Vesting:** The Restricted Units **RHUs** granted hereunder shall become vested in accordance with the vesting terms set forth below and other terms and conditions contained in the attached Restricted Holdings Unit Agreement.

1) *Service Condition for Vesting*

Provided that the applicable Price Condition (as defined below) has been achieved, the applicable percentage of the Restricted Units **RHUs** set forth in Section 2 below shall vest subject to the Grantee's continued Employment through and at the close of business on the later of (i) the Service Vesting Date (as defined below) (the **"Service Condition"**) and (ii) the date the applicable Price Condition is met (the Service Vesting Date, with any such later vesting date, the **"Vesting Dates"**). Any RHUs that do not vest on or prior to the Expiration Date (as defined below) shall immediately be forfeited as of such date.

|                      |        |
|----------------------|--------|
| Service Vesting Date | [DATE] |
| Expiration Date      | [DATE] |

## 2) Price Condition for Vesting

The "**Price Condition**" shall be achieved with respect to the maximum percentage of the Restricted Units **RHUs** set forth below when the average Closing Price (as defined below) per share of Common Stock during a period of twenty (20) consecutive trading days meets or exceeds the applicable "**Price Target**", on or prior to the Expiration Date, in each case, as specified in the chart below:

| Cumulative Percentage of Restricted Holdings Units that Satisfy the Price Condition | Price Target |
|-------------------------------------------------------------------------------------|--------------|
|-------------------------------------------------------------------------------------|--------------|

|            |  |  |  |
|------------|--|--|--|
| 20%        |  |  |  |
| [20]% 40%  |  |  |  |
| \$ [--]    |  |  |  |
| 60%        |  |  |  |
| 80%        |  |  |  |
| [40]% 100% |  |  |  |

\$ [--]

[60]% \$ [-]

[80]% \$ [-]

[100]% \$ [-]

For purposes of this Restricted Holdings Unit Grant Certificate, “Closing Price” for any trading day shall mean the closing price per share of the Corporation’s Common Stock reported on the NYSE (or, if not listed on the NYSE, the principal securities exchange on which such shares are listed). If such shares are not listed on any securities exchange, the Closing Price shall be the fair market value thereof as reasonably determined by the Administrator.

In the event of any extraordinary stock distribution, stock split, stock combination, recapitalization, rights offering, split-up, spin-off or similar event that constitutes an “equity restructuring” (as defined under Financial Accounting Standards Board (FASB) Accounting Standards Codification 718) with respect to the shares, the Administrator shall, in the manner determined appropriate or desirable by the Administrator and without liability to any person, adjust any or all of (x) the Price Target, (y) the number of Restricted Units, RHUS, and (z) any other term applicable to the RHUs.

3) The “Measurement Date” “Measurement Date” means [DATE].

Post-Vesting Transfer  
Restrictions under Section  
3.3 of the Restricted  
Holdings Unit Agreement:

☐ Applicable    ☐ Inapplicable

Minimum Retained  
Ownership Percentage  
under Section 3.4 of the  
Restricted Holdings Unit  
Agreement:

☐ Applicable    ☐ Inapplicable

Minimum Retained Ownership Percentage if applicable: [ ]% 25%

\* \* \*

THE UNDERSIGNED GRANTEE ACKNOWLEDGES RECEIPT OF THIS RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE, THE RESTRICTED HOLDINGS UNIT AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OWNERSHIP OF RESTRICTED HOLDINGS UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE, THE RESTRICTED HOLDINGS UNIT AGREEMENT AND THE PLAN.

KKR GROUP PARTNERSHIP L.P.,  
by KKR Group Holdings Corp, its general partner

GRANTEE

/s/ Robert H. Lewin

By: Robert H. Lewin  
Title: Director

Electronic Signature

Name: Participant Name  
Grant Acceptance Date: Grant Acceptance Date

KKR HOLDINGS II L.P.,  
by KKR Group Holdings Corp, its general partner

/s/ Robert H. Lewin

By:  
By: Robert H. Lewin  
Title: Director

KKR & CO. INC.

/s/ Robert H. Lewin

By:  
By: Robert H. Lewin  
Title: Chief Financial Officer

RESTRICTED HOLDINGS UNIT AGREEMENT  
UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN  
(EXECUTIVE – MARKET CONDITION)

Pursuant to the Restricted Holdings Unit Grant Certificate (the “RHU Grant Certificate”) delivered to the Grantee (as defined in the RHU Grant Certificate), and subject to the terms of this Restricted Holdings Unit Agreement (this “Agreement”), the Limited Partnership Agreement of KKR Group Partnership (as defined below), the Limited Partnership Agreement of Holdings II (as defined below)

and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as amended from time to time, the "**Plan**"), KKR & Co. Inc. (the "**Corporation**"), KKR Holdings II L.P. ("**Holdings II**"), KKR Group Partnership L.P. ("**KKR Group Partnership**") and the Grantee agree as follows. The RHU Grant Certificate is incorporated into and deemed a part of this Agreement.

This Agreement sets forth the terms and conditions of one or more tandem awards of (i) unvested profits interests in KKR Group Partnership, pursuant to the Limited Partnership Agreement of KKR Group Partnership, in the form of KKR Group Partnership Class P units ("**Class P Units**"), (ii) unvested profits interests in Holdings II, pursuant to the Limited Partnership Agreement of Holdings II, in the form of Holdings II Class A units ("**Holdings II Units**" and, together with the related Class P Units (or Class A Units upon automatic conversion, as applicable), "**Restricted Units**") and (iii) stock exchange rights ("**SERs**") issued by the Corporation pursuant to the Plan. Each tandem award of Class P Units, Holdings II Units and SERs is herein referred to as a "**Restricted Holdings Unit**" or an "**RHU**." The Limited Partnership Agreement of KKR Group Partnership and the Limited Partnership Agreement of Holdings II are herein referred to as the "**Operating Agreements**." Capitalized terms not otherwise defined herein or in Appendix A (attached hereto) shall have the meaning set forth in the Plan.

## ARTICLE I GRANT OF RESTRICTED HOLDINGS UNITS

### Section 1.1. Grant of Restricted Holdings Units.

Subject to the terms and conditions set forth herein and in the Operating Agreements and the Plan, (i) KKR Group Partnership hereby grants to Holdings II the number of Class P Units set forth in the RHU Grant Certificate, (ii) Holdings II hereby grants to the Grantee the number of Holdings II Units set forth in the RHU Grant Certificate and (iii) the Corporation hereby grants to the Grantee the number of SERs set forth in the RHU Grant Certificate. The grant of RHUs hereunder is conditioned upon the Grantee's (a) execution of a supplement to the Limited Partnership Agreement of Holdings II, attached hereto as Appendix C and (b) agreement to and compliance with the provisions of the confidentiality and restrictive covenant agreement, attached hereto as Appendix D (the "**Confidentiality and Restrictive Covenant Agreement**") and incorporated herein by reference. The "**Grant Acceptance Date**" is the date on which the Grantee accepted the grant of RHUs and concurrently agreed to become bound by the terms of the RHU Grant Certificate, this Agreement and the Plan, as designated on the signature page(s) hereto.

## ARTICLE II VESTING AND EXCHANGE OF RESTRICTED HOLDINGS UNITS

### Section 2.1. Vesting of Restricted Units.

(a) Subject to the terms and conditions contained herein and in the Operating Agreements, the Restricted Units shall vest as provided in the RHU Grant Certificate and this Section 2.1.

(i) Restricted Units will be eligible to vest on the date that both the Service Condition and the Price Condition (each as defined in the RHU Grant Certificate) with respect to such Restricted Units have been achieved, with the number of Restricted Units that vest on any such Vesting Date being equal to the cumulative percentage of Restricted Units that have met the Price Condition on such applicable Vesting Date (less any percentage of Restricted Units that previously vested), and any Restricted Unit that fails to satisfy the Price Condition by the close of business on the Expiration Date (as defined in the RHU Grant Certificate) shall be canceled and forfeited without any consideration.

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(ii) If, prior to the date the Restricted Units are vested or such Restricted Units otherwise terminate and are forfeited:

(A) the Grantee's Employment terminates prior to the Service Condition being met due to the Grantee's Retirement, then the Service Condition shall be waived for Restricted Units granted hereunder in an amount equal to (a) the applicable cumulative percentage of Restricted Units that satisfied the Price Condition at the time of the Grantee's notice of Retirement or actual Retirement (as determined by the Administrator in its sole discretion) *multiplied* by (b) the total number of Restricted Units granted hereunder prorated to reflect the number of full years of service such Grantee provided from the Measurement Date through the date of such notice of Retirement or actual Retirement, as applicable, and such Restricted Units shall become vested as of such date;

- (B) the Grantee dies or experiences a Disability prior to the Service Condition being met, then the Service Condition shall be waived for Restricted Units granted hereunder in an amount equal to (a) the applicable cumulative percentage of Restricted Units that satisfied the Price Condition at the time of the Grantee's death or Disability (as determined by the Administrator in its sole discretion) *multiplied* by (b) the total number of Restricted Units granted hereunder prorated to reflect the number of full years of service such Grantee provided from the Measurement Date through the date of death or Disability, as applicable; *provided* that, all such Restricted Units for which the Service Condition is waived shall become vested on the date of the Grantee's death or Disability; *provided further* that the Administrator in its sole discretion, may waive the Service Condition for all Restricted Units granted hereunder for the Grantee who dies or experiences a Disability prior to the Service Vesting Date (as defined in the RHU Grant Certificate) and/or Expiration Date, in which case all remaining unvested Restricted Units granted hereunder shall remain outstanding and eligible to vest until the Service Vesting Date and/or Expiration Date, to the extent the applicable Price Conditions are thereafter satisfied with respect thereto, as if such Grantee's Employment had continued until the Service Vesting Date and/or Expiration Date, as applicable, and any remaining Restricted Units that vest in accordance with this Section 2.1(a)(ii)(B) shall become vested on the date the applicable Price Condition is achieved. Any determination of the Grantee's death or Disability shall be determined by the Administrator in its sole discretion; and
- (C) a Change in Control occurs prior to any termination of the Grantee's Employment, then all or any portion of any unvested Restricted Units may be vested, subject to the discretion of the Administrator and, if so determined a vesting event, the date of the consummation of the Change in Control shall be deemed the "Vesting Date" for all purposes under this Agreement.

Notwithstanding the foregoing, if the Corporation receives an opinion of counsel that there has been a legal judgment or legal development in the Grantee's jurisdiction that would likely result in the favorable treatment applicable to the Restricted Units upon Retirement pursuant to this Section 2.1(a)(ii) being deemed unlawful or discriminatory, then the Corporation will not apply the favorable treatment at the time the Grantee's Employment terminates due to the Grantee's Retirement under clause (A) above, and the Restricted Units will be treated as set forth in Section 2.1(a)(i), 2.1(b), 2.1(c) or the other provisions of this Section 2.1(a)(ii), as applicable.

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- (b) If the Grantee's Employment terminates prior to the applicable Vesting Date for any reason other than due to the Grantee's death, Disability or Retirement, all then unvested Restricted Units and all corresponding SERs shall immediately terminate and be forfeited without consideration, and no exchange of such unvested Restricted Units for shares of Common Stock pursuant to Section 2.2 shall occur; *provided* that for Exempt Grantees whose Employment terminates prior to the Service Vesting Date, the Service Condition shall be waived for Restricted Units granted hereunder in an amount equal to (a) the applicable cumulative percentage of Restricted Units that satisfied the Price Condition at the time of the Grantee's notice of termination or actual termination of Employment (as determined by the Administrator in its sole discretion) *multiplied* by (b) the total number of Restricted Units granted hereunder prorated to reflect the number of full years of service such Grantee provided from the Measurement Date through the date of such notice of termination or actual termination, as applicable; *provided further* that, all such Restricted Units for which the Service Condition is waived shall become vested on the date of such notice of termination or actual termination, as applicable.

"Exempt Grantee" means any Grantee (x) whose termination of Employment was involuntary without Cause or due to reasons outside such Grantee's control in each case, and (y) who is granted such 'exempt grantee' status as determined by the Co-Chief Executive Officers and the Co-Executive Chairmen of the Corporation, acting in their sole discretion and by majority vote.

- (c) Unless otherwise agreed in writing between the Grantee and the Corporation or as otherwise determined by the Administrator in its sole discretion at the time of grant or otherwise, the right to vest in the Restricted Units, if any, will terminate effective as of the date that the Grantee is no longer actively providing services (even if still considered employed or engaged under local Law) and will not be extended by any notice period mandated under local Law (e.g., active Employment would not include a period of "garden leave" or similar period pursuant to local Law) (a "Service Termination"), and all unvested Restricted Units and corresponding SERs shall immediately be forfeited upon such date. The Administrator has the sole discretion and authority to determine whether the Grantee is actively providing services (including in respect of any period following the Grantee's delivery of notice of resignation or receipt of notice of termination).
- (d) Once a Class P Unit is vested and becomes an Equitized Class P Series Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership), it shall be automatically converted into a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership.

- (e) Notwithstanding anything herein to the contrary, any Restricted Units that vest prior to the applicable Vesting Date pursuant to Sections 2.1(a)(ii)(A) or (B) or Section 2.1(b) hereof shall be deemed to be unvested Restricted Units, and shall not be "vested" or "vest", "vest," until the applicable Vesting Date set forth in the RHU Grant Certificate for all other purposes under this Agreement and applicable organizational documents (including the Operating Agreements).

**Section 2.2. Exercise of SERs and Exchange of Restricted Units.**

- (a) To the extent that a Holdings II Unit becomes vested and the related Class P Unit has become a vested and Equitized Class P Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership) and automatically converted to a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership (subject to Section 2.1(e)), the Grantee may elect to exercise the corresponding SER to (i) receive from Holdings II a Class A Unit underlying the Holdings II Unit in connection with the redemption thereof, and (ii) exchange such Class A Unit for a share of Common Stock, in each case, on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications (the "Exchange");. Restricted Units may be Exchanged on a quarterly basis, pursuant to the exchange policies and procedures comparable to those set forth in the Exchange Agreement as established by the KKR Group Administrator in its sole discretion from time to time. The Administrator shall have the sole discretion to impose policies and procedures for any Exchange and any sale of shares of Common Stock received by the Grantee in the Exchange. The date on which any Restricted Unit is to be Exchanged hereunder is referred to as an "Exchange Date."

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the Grantee in the Exchange. The date on which any Restricted Unit is to be Exchanged hereunder is referred to as an "Exchange Date."

- (b) On any Exchange Date, each vested Holdings II Unit subject to the Exchange shall be cancelled and each related Class A Unit shall be transferred to the Corporation or its designated subsidiary in exchange for the Corporation delivering, or causing to be delivered by the Designated Service Recipient, to the Grantee either (i) the number of shares of Common Stock equal to the number of Restricted Units that are subject to the Exchange on such Exchange Date pursuant to Section 2.2(a), subject to customary conversion rate adjustments for splits, unit distributions and reclassifications or (ii) an amount of cash, denominated in U.S. dollars, equal to the Fair Market Value of the foregoing number of shares of Common Stock (a "Cash Payment"). The Administrator may elect in its sole discretion whether to Exchange the Restricted Units for shares of Common Stock or for a Cash Payment. The delivery of shares of Common Stock or Cash Payment to the Grantee shall be made as soon as administratively practicable on or following the applicable Exchange Date (or next permissible trading window of Common Stock). Any of the foregoing payments or deliveries shall in all instances be subject to Sections 4.4 and 4.6.
- (c) Subject to the provisions of this Article II relating to the number of shares of Common Stock that are to be delivered or Cash Payment that is to be paid on any applicable delivery date and solely to the extent permitted under Section 409A, if applicable, the Corporation may impose such other conditions and procedures in relation to such delivery or payment as it may reasonably determine, including with respect to the Exchange.
- (d) To the extent (i) the Grantee's Employment terminates or the Grantee undergoes a Service Termination, in either case, for any reason, and (ii) any Holdings II Unit becomes, or has become, vested and the related Class P Unit becomes, or has become, a vested and Equitized Class P Series Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership) and automatically converted to a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership (subject to Section 2.1(e)), the Administrator may, in its sole discretion, elect to exercise the corresponding SER and force an Exchange without any action on the part of the Grantee or the Grantee's consent (a "Forced Exchange"). In the event of a Forced Exchange, each vested Holdings II Unit subject to the Exchange shall be cancelled and each related Class A Unit shall be transferred to the Corporation or its designated subsidiary in exchange for the Corporation delivering, or causing to be delivered by the Designated Service Recipient, to the Grantee either (A) the number of shares of Common Stock equal to the number of Restricted Units that are subject to the Exchange on such Exchange Date pursuant to this Section 2.2(d), subject to customary conversion rate adjustments for splits, unit distributions and reclassifications or (B) a Cash Payment, as determined by the Administrator, in its sole discretion. The delivery of shares of Common Stock or Cash Payment to the Grantee shall be made as soon as administratively practicable on or following the applicable Exchange Date (or next permissible trading window of Common Stock). Any of the foregoing payments or deliveries shall in all instances be subject to Sections 4.4 and 4.6.

**Section 2.3. Dividend and Distribution Payments.** The RHUs granted to the Grantee hereunder do not include the right to receive any dividend payments with respect to the Common Stock. Any Distribution paid by KKR Group Partnership to Holdings II with respect to Class A Units held by Holdings II shall be allocated and payable by Holdings II to the Grantee of the Restricted Units corresponding to such Class A Units as provided in the Operating Agreements (subject to Section 2.1(e)).

**ARTICLE III  
RESTRICTIONS ON TRANSFERS AND OTHER LIMITATIONS**



**Section 3.1. Transfer Restrictions on Holdings II Units and Stock Exchange Rights.**

- (a) The Grantee may not Transfer all or any portion of the Grantee's Holdings II Units or SERs to any Person (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator.

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Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator.

- (b) Prior to a Transfer of any Holdings II Units or SERs to any Person that the Administrator consents to, such Person must consent in writing to be bound by this Agreement and deliver such consent to the Administrator.
- (c) Any purported Transfer of Holdings II Units or SERs that is not in accordance with this Section 3.1 or which would cause Holdings II or the KKR Group Partnership to be treated as a "publicly traded partnership", as defined in Section 7704 of the U.S. Internal Revenue Code of 1986, as amended, is null and void.
- (d) Transfers of Holdings II Units shall be subject to further conditions and/or restrictions, if any, set forth in the Limited Partnership Agreement of Holdings II.

**Section 3.2. Confidentiality and Restrictive Covenant Agreement.** The Grantee acknowledges and agrees that the Grantee is bound by and will comply with the Confidentiality and Restrictive Covenant Agreement contained in Appendix D and any other similar agreements that the Grantee has entered into with the Designated Service Recipient, the Corporation, KKR Associates Holdings L.P., or any other member of the KKR Group, as applicable, as such agreements may be amended from time to time. If the Grantee is a limited partner of KKR Associates Holdings L.P., the Grantee further acknowledges and agrees that references to a Confidentiality and Restrictive Covenant Agreement in the limited partnership agreements agreement of KKR Associates Holdings L.P. shall be deemed to include the Confidentiality and Restrictive Covenant Agreement contained in Appendix D hereto.

**Section 3.3. Post-Vesting Transfer Restrictions.**

The provisions of this Section 3.3 and any references to a Transfer-Restricted Unit shall not be applicable to the Holdings II Units or SERs granted to the Grantee hereunder if so indicated on the RHU Grant Certificate.

- (a) The Grantee may not Transfer or Exchange all or any portion of the Grantee's Transfer-Restricted Units (as defined below) (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator. Any permitted Transfer pursuant to this Section 3.3(a) shall be made in accordance with Section 3.1. No Class A Unit or Class P Unit corresponding to a Transfer-Restricted Unit may be exchanged for a share of Common Stock pursuant to the Exchange.
- (b) A "Transfer-Restricted Unit" refers to all Holdings II Units and corresponding SERs held by the Grantee until (i) the first anniversary of the applicable Vesting Date, in the case of 50% of such Holdings II Units and corresponding SERs and (ii) the second anniversary of such Vesting Date, in the case of the remaining 50% of such Holdings II Units and corresponding SERs; *provided that* if the Grantee has given or been given notice of termination of Grantee's Employment, then the Administrator, in its sole discretion, may direct that any Holdings II Units and corresponding SERs that is then Transfer Restricted Units shall continue to be Transfer Restricted Units until the expiration of the later to occur of the Non-Compete Period (as defined in Appendix D) or the Non-Solicit Period (as defined in Appendix D) applicable to the Grantee, unless an earlier date is selected by the Administrator, in its sole discretion.
- (c) If the Grantee breaches in any significant or intentional manner, as determined by the Administrator in its sole discretion, any of the Grantee's covenants in Appendix D, the Administrator, in its sole discretion, may direct that the Grantee forfeit all or a portion of the Transfer-Restricted Units held by the Grantee, in which case all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II shall also be forfeited. If (x) the Grantee gives notice of termination of the Grantee's Employment for any reason during the period of time beginning on the Grant Date and

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ending on the one year anniversary of the Grant Date and (y) the Co-Chief Executive Officers and the Co-Executive Chairmen, as applicable, of the Corporation determine, acting in their sole discretion and by majority vote, that the Corporation would not have granted RHUs to the Grantee had the Corporation known that the Grantee's Employment would terminate in such manner, the Administrator in its sole discretion, may direct that the Grantee forfeit all or a portion of the Transfer-Restricted Units that are held by the Grantee pursuant to this Agreement (but not other grant agreements) in respect of any Restricted Units that are immediately vested as of the Grant Date, in which case all related Class P Units

(or Class A Units upon automatic conversion) held by Holdings II shall also be forfeited. If the Grantee's Employment is terminated for Cause, as determined by the Administrator in its sole discretion, all Transfer-Restricted Units held by the Grantee shall automatically be forfeited together with all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II, unless otherwise determined by the Administrator, in its sole discretion. The Grantee hereby consents and agrees to immediately surrender and deliver such Transfer-Restricted Units to the Corporation, or its designee, without the payment of any consideration, receipt of any further notice or fulfillment of any other condition. Any forfeiture of Transfer-Restricted Units pursuant to this Section 3.3(c) shall require no additional procedures on the part of the Corporation, Holdings II, KKR Group Partnership or any of their Affiliates.

- (d) Any purported Transfer or Exchange of Transfer-Restricted Units that is not in accordance with this Section 3.3 is null and void. In the event of a property settlement or separation agreement between the Grantee and his or her spouse, the Grantee agrees that he or she shall use reasonable efforts to retain all of his or her Holdings II Units and SERs and shall reimburse his or her spouse for any interest he or she may have under this Agreement out of funds, assets or proceeds separate and distinct from his or her interest under this Agreement.

**Section 3.4. Minimum Retained Ownership Requirement.**

The provisions of this Section 3.4 shall not be applicable to the Holdings II Units or SERs granted to the Grantee hereunder if so indicated on the RHU Grant Certificate.

- (a) For so long as the Grantee retains his or her Employment, the Grantee (collectively with all Permitted Transferees, if applicable) must continuously hold an aggregate number of Common Stock Equivalents (defined below) that is at least equal to the Minimum Retained Ownership Percentage of the cumulative amount of (x) all Holdings II Units granted to the Grantee under this Agreement and (y) all other Holdings II Units subject to a minimum retained ownership requirement that have been or are hereafter granted to the Grantee under the Operating Agreements and the Plan, in each case, that have become vested pursuant to Section 2 (or similar provision in any other applicable grant agreement), prior to any Exchange permitted by Section 2.2 (or similar provision in any other applicable grant agreement).
- (b) "Common Stock Equivalents" means any combination of: (i) Holdings II Units that are or become vested pursuant to Section 2 of this Agreement (even if they are Transfer-Restricted Units) but not exchanged and shares of Common Stock delivered upon Exchange of such Holdings II Units and not designated for sale and (ii) Holdings II Units subject to a minimum retained ownership requirement granted to the Grantee under the Operating Agreements and the Plan that are or become vested pursuant to a provision similar to Section 2 to this Agreement (even if a provision similar to the transfer restrictions on the Transfer-Restricted Units has not yet been satisfied) but not exchanged and shares of Common Stock delivered upon Exchange of such Holdings II Units and not designated for sale.
- (c) Any purported Transfer or Exchange of any Holdings II Units or Common Stock that would result in a violation of this Section 3.4 is null and void. Notwithstanding anything to the contrary contained in this Agreement (including, without limitation, Section 4.8) this Section 3.4 shall survive any termination of this Agreement.

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**Section 3.5. Waiver of Restrictions.** The Administrator may, from time to time, waive the provisions of Section 3.3 or Section 3.4 of this Agreement, subject to the imposition of any conditions or further requirements, as determined by the Administrator in its sole discretion. Without limiting the foregoing, to the extent the Administrator waives the application of Section 3.3 or Section 3.4, (i) equivalent restrictions on the Grantee's other equity, if any, held in the Corporation or any of its respective Affiliates (or any of their respective equity incentive plans) may be imposed and (ii) the Grantee hereby consents in advance to the imposition of such equivalent restrictions for purposes of the governing documents of Grantee's other equity, if any, held in the Corporation or any of its respective Affiliates (or any of their respective equity incentive plans).

**ARTICLE IV  
MISCELLANEOUS**

**Section 4.1. Governing Law.** This Agreement and RHU Grant Certificate shall be governed by, and construed in accordance with, the laws of the State of New York, United States of America, without giving effect to any otherwise governing principles of conflicts of law that would apply the Laws of another jurisdiction.

**Section 4.2. Operating Agreements and Plan.** In the event of a conflict or inconsistency between the terms and provisions of the Operating Agreements or the Plan and the provisions of this Agreement, the Operating Agreements or the Plan, as applicable, shall govern and control.

**Section 4.3. Arbitration.** EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE U.S. FEDERAL AND STATE COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 4.3, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by arbitration conducted by a single arbitrator in New York, New York in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution. The arbitrator shall be a lawyer with substantial experience in the alternative asset management industry. The parties shall first confer in good faith in an attempt to agree upon a mutually acceptable arbitrator with the qualifications specified in this Section 4.3. If the parties to the dispute fail to agree on the selection of an arbitrator within 30 days of the receipt of the request for arbitration, the arbitrator shall be selected in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution, provided that the selected arbitrator shall have the qualifications specified in this Section 4.3. The arbitrator shall conduct the proceedings in the English language. Judgment on the award rendered by the

arbitrators may be entered in any court having jurisdiction thereof. The arbitrators shall have the authority to award any remedy or relief that a court of competent jurisdiction could order or grant, including, without limitation, the issuance of an injunction. However, either party may, without inconsistency with this arbitration provision, bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling the other party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, or enforcing an arbitration award. The Grantee irrevocably appoints the Chief Legal Officer and General Counsel of the Corporation as such Grantee's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Grantee of any such service of process, shall be deemed in every respect effective service of process upon the Grantee in any such action or proceeding. Except as necessary in court proceedings to enforce this arbitration provision or an award rendered hereunder, to obtain interim relief or as otherwise required by law, neither a party nor an arbitrator may disclose the content or results of any arbitration hereunder without the prior written consent of the Corporation and the Grantee, other than general statements.

**Section 4.4. Remedies; Recoupment; Right to Set-Off.**

- (a) The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law or under the terms of any other applicable agreement.

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- (b) To the extent required or advisable, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules promulgated thereunder and any other similar Laws including, as applicable, but not limited to the European Directives 2011/61/EU, 2013/36/EU and 2014/91/EU, the Administrator may specify in any other document or a policy to be incorporated into this Agreement by reference, that the Grantee's rights, payments, and benefits with respect to RHUs awarded hereunder and/or Common Stock delivered to the Grantee in respect of RHUs awarded hereunder shall be subject to reduction, cancellation, forfeiture or recoupment.
- (c) The Grantee further acknowledges and agrees that KKR Group shall have the right to clawback, forfeit, cancel, recoup, reduce or set-off any distribution or payment that is due or payable (or that the Administrator reasonably determines may become due or payable) to the Grantee pursuant to any agreement with the KKR Group (including but not limited to partnership agreements of KKR Holdings II L.P. and KKR Associates Holdings L.P.) or otherwise for the purpose of fulfilling any present or future obligation or liability of whatever nature (whether matured or unmatured, absolute or contingent) that the Grantee has to make (or that the Administrator reasonably determines may become such an obligation or liability to make) any payment or contribution to the KKR Group, regardless of whether the payment or contribution is currently due or payable, or may become due or payable in the future, whether in advance of or without adjudication (provided that the Administrator must act in good faith when determining any contribution or payment that may become due or payable as a result of damage to the KKR Group arising from a breach by Grantee of any of Grantee's written agreements with the KKR Group or other wrongdoing), and notwithstanding any other agreements between the Grantee and the KKR Group entered into prior to the date hereof.

**Section 4.5. Amendments and Waivers.**

- (a) This Agreement (including the RHU Grant Certificate and Appendices A through E attached hereto, as applicable) may be amended, supplemented, waived or modified only in accordance with Section 4(b) of the Plan or Section 13 of the Plan, as applicable, or as may be required for purposes of compliance or enforceability with applicable local Law; provided, however, that the RHU Grant Certificate shall be deemed amended from time to time to reflect any adjustments provided for in the Operating Agreements or the Plan.
- (b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**Section 4.6. Withholding.**

(a) The provisions of Section 4(d) of the Plan are incorporated herein by reference and made a part hereof. Regardless of any action the Corporation or the Designated Service Recipient takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("Tax-Related Items"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and may exceed the amount, if any, actually withheld by the Corporation or the Designated Service Recipient. The Grantee further acknowledges that the Corporation and/or the Designated Service Recipient (1) make no representations or undertakings regarding the treatment of any Tax-Related Items and (2) are under no obligation to structure the terms of the RHUs to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. The Corporation may refuse to issue or deliver Common Stock, the Cash Payment or the proceeds of the sale of Common Stock, if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items as set forth in this Section 4.6.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Grantee will pay or make adequate arrangements satisfactory to the Corporation and/or the Designated Service Recipient to satisfy all Tax-

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Related Items. In this regard, the Grantee authorizes the Corporation and/or the Designated Service Recipient to satisfy the obligations with regard to all Tax-Related Items, if any, by one or a combination of the following:

- (i) withholding from the Cash Payment, the Grantee's wages or other cash compensation paid to the Grantee by the Corporation and/or the Designated Service Recipient; or

- (ii) withholding from proceeds of the sale of Common Stock delivered upon the Exchange either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Grantee's behalf pursuant to this authorization); or
- (iii) withholding in Common Stock to be delivered upon the Exchange.

The Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in the Grantee's jurisdiction(s), in which case the Grantee may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Common Stock. If the obligation for Tax-Related Items is satisfied by withholding in Common Stock, the Grantee is deemed to have been issued the full number of shares of Common Stock subject to the Exchange, notwithstanding that a number of shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items. Finally, the Grantee shall pay to the Corporation or the Designated Service Recipient any amount of Tax-Related Items that the Corporation or the Designated Service Recipient may be required to withhold or account for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Grantee's liability for Tax-Related items, if any, will survive the Grantee's withdrawal from Holdings II or Transfer of any RHUs.

**Section 4.7. Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified):

- (a) If to the Corporation, to:  
KKR & Co. Inc.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: Chief Legal Officer and General Counsel
- (b) If to the KKR Group Partnership, to:  
KKR Group Partnership L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: Chief Legal Officer and General Counsel
- (c) If to Holdings II, to:  
KKR Holdings II L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: Chief Legal Officer and General Counsel
- (d) If to the Grantee, to the most recent address for the Grantee in the books and records of the Corporation or the Designated Service Recipient, as applicable.

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**Section 4.8. Entire Agreement; Termination of Agreement; Survival.**

- (a) This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, pertaining thereto. The Grantee acknowledges that the grant of RHUs provided for under this Agreement is in full satisfaction of any and all grants of equity or equity-based awards that representatives of the Corporation or its Affiliates, on or prior to the date hereof, may have informed the Grantee that such Grantee is entitled to receive.
- (b) This Agreement shall terminate when the Grantee and all Permitted Transferees cease to hold any of the RHUs that have been granted hereunder. Notwithstanding anything to the contrary herein, this Article IV shall survive any termination of this Agreement.

**Section 4.9. Severability.** If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

**Section 4.10. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

**Section 4.11. Appendices.** Appendices A, B, C, D and E constitute part of this Agreement. Notwithstanding the provisions of this Article IV, the provisions of Sections 9 through 18 (inclusive) of Appendix D shall govern solely with respect to, and shall be applicable only to the interpretation, administration and enforcement of the provisions of Appendix D, but not to any other provisions of this Agreement or any other Appendix.

**Section 4.12. Further Assurances.** The Grantee shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

**Section 4.13. Section 409A; Employment with Designated Service Recipient.**

- (a) This Section 4.13(a) applies to Grantees who are U.S. tax residents (such as, a U.S. citizen, green card holder or a U.S. tax resident under the substantial presence test) to the extent applicable. All references to any "separation from service" or termination of the Employment of or the services to be provided by the Grantee, shall be deemed to refer to a "separation from service" within the meaning of Section 409A, if applicable. Notwithstanding anything herein to the contrary, (i) if at the time of the Grantee's termination of Employment the Grantee is a "specified employee" as defined in Section 409A of the Code and the deferral of the commencement of any payments or delivery of Common Stock otherwise payable or provided hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A, then, to the extent that Section 409A applies to the RHUs, the Corporation will defer the commencement of the payment of any such payments or delivery hereunder (without any reduction in such payments or delivery of Common Stock ultimately paid or provided to the Grantee) until the date that is six months following the Grantee's termination of Employment (or the earliest date as is permitted under Section 409A) and (ii) if any other payments or other deliveries due to the Grantee hereunder could cause the application of an accelerated or additional tax under Section 409A, such payments or other deliveries shall be deferred if deferral will make such payment or other delivery compliant under Section 409A, or otherwise such payment or other delivery shall be restructured, to the extent possible, in a manner, determined by the Administrator, that does not cause such an accelerated or additional tax. The Corporation shall use commercially reasonable efforts to implement the provisions of this Section 4.13(a) in good faith; *provided* that none of the Corporation, the Administrator nor any of the Corporation's or KKR Group's, as applicable,

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employees, directors or representatives shall have any liability to the Grantee with respect to this Section 4.13(a).

- (b) Nothing in this Agreement shall be deemed to obligate the Corporation, Designated Service Recipient or any other member of the KKR Group, as applicable, to employ the Grantee in any capacity whatsoever or to prohibit or restrict the Corporation, Designated Service Recipient or any other member of the KKR Group, as applicable, from terminating the Grantee's Employment at any time or for any reason whatsoever, with or without Cause.

**Section 4.14. Counterparts.** This Agreement may be executed and delivered (including by electronic transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by electronic transmission shall be considered original executed counterparts for purposes of this Agreement.

[Rest of page intentionally left blank]

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**IN WITNESS WHEREOF**, the Corporation, KKR Group Partnership and Holdings II have executed this Agreement as of the date specified under the signature of the Grantee.

**KKR & Co. Inc.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**KKR Group Partnership L.P.**

By: KKR Group Holdings Corp.,  
its general partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**KKR Holdings II L.P.**

By: KKR Group Holdings Corp.,  
its general partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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**IN WITNESS WHEREOF**, the undersigned Grantee has caused this counterpart signature page to this Agreement to be duly executed as of the date specified under the signature of the Grantee.

**"GRANTEE"**

**Electronic Signature**

Name: **Participant Name**

Grant Acceptance Date: **Grant Acceptance Date**

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## APPENDIX A DEFINITIONS

In addition to the defined terms set forth in the Plan, the following terms shall have the following meanings for purposes of the Agreement:

**"Cause"** means, with respect to the Grantee, the occurrence or existence of any of the following as determined fairly on an informed basis and in good faith by the Administrator: (i) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct by the Grantee against any member of the KKR Group (including the Corporation) or a Portfolio Company (as defined below), (ii) a Regulatory Violation that has a material adverse effect on (x) the business of any member of the KKR Group or (y) the ability of the Grantee to function as an employee, associate or in any similar capacity (including consultant) with respect to the KKR Group, taking into account the services required of the Grantee and the nature of the business of the KKR Group, or (iii) a material breach by the Grantee of a material provision of any Written Policies & Agreements or the deliberate failure by the Grantee to perform the Grantee's duties to the KKR Group, *provided that* in the case of this clause (iii), the Grantee has been given written notice of such breach or failure within 45 days of the KKR Group becoming aware of such breach or failure and, where such breach or failure is curable, the Grantee has failed to cure such breach or failure within (A) 15 days of receiving notice thereof or (B) such longer period of time, not to exceed 30 days, as may be reasonably necessary to cure such breach or failure *provided* that the Grantee is then working diligently to cure such breach or failure; and *provided further*, that if such breach or failure is not capable of being cured, the notice given to the Grantee may contain a date of termination that is earlier than 15 days after the date of such notice.

**"Class A Units"** means the Class A Units of KKR Group Partnership under the Limited Partnership Agreement of KKR Group Partnership.

**"Designated Service Recipient"** means any member of the KKR Group that employs the Grantee or with which the Grantee is similarly associated.

**"Disability"** means, as to any Person, such Person's inability to perform in all material respects such Person's duties and responsibilities to the KKR Group by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the Administrator may reasonably determine in its sole discretion.

**"Employment"** means the Grantee's employment (including any similar association determined by the Administrator to constitute employment for purposes of this Agreement) with the Designated Service Recipient or any other member of the KKR Group.

**"Group Partnership"** means KKR Group Partnership, along with its successor and any other legal entity designated in the future as a "Group Partnership" by the Corporation.

**"KKR Group"** means (i) the Corporation and KKR Management LLP (and its successors), (ii) any direct or indirect subsidiaries of the Corporation, including but not limited to the Group Partnership and its direct and indirect subsidiaries (not including Portfolio Companies), (iii) KKR Associates Holdings L.P. and KKR Associates Reserve L.P., their respective general partners, and the direct or indirect subsidiaries of KKR Associates Holdings L.P. and KKR Associates Reserve L.P., respectively, and (iv) any investment fund, account or vehicle that is managed, advised or sponsored by any member of the KKR Group (the **"Funds"**).

**"Law"** means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Corporation or any Grantee, as the case may be.

**"Limited Partnership Agreement of Holdings II"** means the Amended and Restated Limited Partnership Agreement of Holdings II, dated as of January 1, 2022, as amended from time to time.

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**"Limited Partnership Agreement of KKR Group Partnership"** means the Third Amended and Restated Limited Partnership Agreement of KKR Group Partnership, dated as of January 1, 2020, as amended from time to time.

**"Minimum Retained Ownership Percentage"** means the percentage set forth on the RHU Grant Certificate.

**"Permitted Transferee"** means (A) any person who is a "family member" of the Grantee, as such term is used in the instructions to Form S-8 under the Securities Act of 1933, as amended, or any successor form of registration statement promulgated by the Securities and Exchange Commission (collectively, the **"Immediate Family Members"**); (B) a trust solely for the benefit of the Grantee and his or her Immediate Family Members; (C) a partnership or limited liability company whose only partners or stockholders are the Grantee and his or her Immediate Family Members; (D) a beneficiary to whom donations are eligible to be treated as "charitable contributions" for federal income tax purposes; or (E) any other Person the Administrator consents to.

**"Person"** means any individual, corporation, partnership, limited liability company, trust, joint stock company, business trust, unincorporated association, joint venture, governmental authority or other entity of any nature whatsoever.

**"Portfolio Company"** means any portfolio companies, joint ventures or affiliated investments that are held as such by the KKR Group.

**"Regulatory Violation"** means, with respect to the Grantee (i) a conviction of the Grantee based on a trial or by an accepted plea of guilt or *nolo contendere* of any felony or misdemeanor crime involving moral turpitude, false statements, misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery, (ii) a final determination by any court of competent jurisdiction or governmental regulatory body (or an admission by the Grantee in any settlement agreement) that the Grantee has violated any U.S. federal or state or comparable non-U.S. securities laws, rules or regulations or (iii) a final determination by self-regulatory organization having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations (or an admission by the Grantee in any settlement agreement) that the Grantee has violated the written rules of such self-regulatory organization that are applicable to any member of the KKR Group.

**"Retirement"** means the resignation by the Grantee of the Grantee's Employment with the KKR Group (other than for Cause), on or after the date that the Grantee's age, plus the Grantee's years of Employment with the KKR Group, equals at least 80.

**"RHU Grant Certificate"** means the RHU Grant Certificate delivered to the Grantee and attached to this Agreement, as the same may be modified pursuant to Section 4.5(a) of the Agreement.

**"Section 409A"** means Section 409A of the U.S. Internal Revenue Code of 1986, as the same may be amended from time to time, and the applicable regulations, including temporary regulations, promulgated under such Section, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).



**"Transfer"** or **"Transferred"** means with respect to any RHUs or Common Stock, as applicable, any (i) sale, assignment, transfer or other disposition thereof or any interests therein or rights attached thereto, whether voluntarily or by operation of Law, including but not limited to an Exchange, or (ii) creation or placement of any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

**"Vesting Date"** means, with respect to any RHU, any date set forth in the RHU Grant Certificate as a "Vesting Date."

**"Written Policies & Agreements"** means the written policies of the KKR Group included in its employee manual, code of ethics and confidential information and information barrier policies and procedures and other documents relating to the Grantee's Employment with the KKR Group, as applicable, and any agreements between the Grantee and a member of the KKR Group relating to the Grantee's Employment with the KKR Group, including but not limited to an employment agreement, if any, and the Confidentiality and Restrictive Covenant Agreement.

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Exhibit 10.30

**RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE  
UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN  
(EXECUTIVE – SERVICE VESTING)**

Pursuant to this Restricted Holdings Unit Grant Certificate, the Restricted Holdings Unit Agreement (as attached hereto) (the **"Restricted Holdings Unit Agreement"**) and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as may be amended from time to time, the **"Plan"**): (i) KKR Group Partnership L.P., a Cayman Islands exempted limited partnership (**"KKR Group Partnership"**), hereby issues the number of unvested profits interests in KKR Group Partnership, in the form of KKR Group Partnership Class P units (**"Class P Units"**), set forth below to KKR Holdings II L.P., a Delaware limited partnership (**"Holdings II"**); (ii) Holdings II hereby issues an equal number of unvested profits interests in Holdings II, in the form of Holdings II Class A units (**"Holdings II Units"**) and, together with the related Class P Units (or Class A Units upon automatic conversion, as applicable), **"Restricted Units"**, to the Grantee; and (iii) KKR & Co. Inc. (the **"Corporation"**) hereby grants an equal number of stock exchange rights (**"SERS"**) and, together with the related Restricted Units, the **"Restricted Holdings Units"** or **"RHUs"**) to the Grantee. The RHUs are subject to all of the terms and conditions set forth herein, and in the Limited Partnership Agreement of KKR Group Partnership, the Limited Partnership Agreement of Holdings II and the Restricted Holdings Unit Agreement, as applicable. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Restricted Holdings Unit Agreement (including Appendix A to the Restricted Holdings Unit Agreement) and the Plan.

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Grantee:</b>          | <b>Participant Name</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Grant Date:</b>       | <b>Grant Date</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Number of RHUs:</b>   | <b>Number of Units Granted</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Vesting Schedule:</b> | The following sets forth each applicable Service Vesting Date upon which the applicable percentage of RHUs granted hereunder shall become vested, subject to the Grantee's continued Employment through each such date and other terms and conditions contained in the attached Restricted Holdings Unit Agreement. Except as provided in the attached Restricted Holdings Unit Agreement, upon the termination of Employment of Grantee, any RHUs that has not vested shall immediately be forfeited as of such date. |

| Percentage of Vesting:                                                                             | Applicable Service Vesting Date:                                          |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Post-Vesting Transfer Restrictions under Section 3.3 of the Restricted Holdings Unit Agreement:    | <input type="checkbox"/> Applicable <input type="checkbox"/> Inapplicable |
| Minimum Retained Ownership Percentage under Section 3.4 of the Restricted Holdings Unit Agreement: | <input type="checkbox"/> Applicable <input type="checkbox"/> Inapplicable |
|                                                                                                    | Minimum Retained Ownership Percentage if applicable: 25%                  |

\* \* \*

THE UNDERSIGNED GRANTEE ACKNOWLEDGES RECEIPT OF THIS RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE, THE RESTRICTED HOLDINGS UNIT AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE OWNERSHIP OF RESTRICTED HOLDINGS UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE, THE RESTRICTED HOLDINGS UNIT AGREEMENT AND THE PLAN.

KKR GROUP PARTNERSHIP L.P.,  
by KKR Group Holdings Corp., its general partner

GRANTEE

|        |                                                     |
|--------|-----------------------------------------------------|
| By:    | <b>Electronic Signature</b>                         |
| Title: | Name: <b>Participant Name</b>                       |
|        | Grant Acceptance Date: <b>Grant Acceptance Date</b> |



KKR HOLDINGS II L.P.,  
by KKR Group Holdings Corp., its general partner

By:  
Title:

KKR & CO. INC.

By:  
Title:

**RESTRICTED HOLDINGS UNIT AGREEMENT  
UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN  
(EXECUTIVE - SERVICE VESTING)**

Pursuant to the Restricted Holdings Unit Grant Certificate (the "**RHU Grant Certificate**") delivered to the Grantee (as defined in the RHU Grant Certificate), and subject to the terms of this Restricted Holdings Unit Agreement (this "**Agreement**"), the Limited Partnership Agreement of KKR Group Partnership (as defined below), the Limited Partnership Agreement of Holdings II (as defined below) and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as amended from time to time, the "**Plan**"), KKR & Co. Inc. (the "**Corporation**"), KKR Holdings II L.P. ("**Holdings II**"), KKR Group Partnership L.P. ("**KKR Group Partnership**") and the Grantee agree as follows. The RHU Grant Certificate is incorporated into and deemed a part of this Agreement.

This Agreement sets forth the terms and conditions of one or more tandem awards of (i) unvested profits interests in KKR Group Partnership, pursuant to the Limited Partnership Agreement of KKR Group Partnership, in the form of KKR Group Partnership Class P units ("**Class P Units**"), (ii) unvested profits interests in Holdings II, pursuant to the Limited Partnership Agreement of Holdings II, in the form of Holdings II Class A units ("**Holdings II Units**") and, together with the related Class P Units (or Class A Units upon automatic conversion, as applicable), "**Restricted Units**") and (iii) stock exchange rights ("**SERs**") issued by the Corporation pursuant to the Plan. Each tandem award of Class P Units, Holdings II Units and SERs is herein referred to as a "**Restricted Holdings Unit**" or an "**RHU**." The Limited Partnership Agreement of KKR Group Partnership and the Limited Partnership Agreement of Holdings II are herein referred to as the "**Operating Agreements**." Capitalized terms not otherwise defined herein or in Appendix A (attached hereto) shall have the meaning set forth in the Plan.

**ARTICLE I  
GRANT OF RESTRICTED HOLDINGS UNITS**

**Section 1.1. Grant of Restricted Holdings Units.**

Subject to the terms and conditions set forth herein and in the Operating Agreements and the Plan, (i) KKR Group Partnership hereby grants to Holdings II the number of Class P Units set forth in the RHU Grant Certificate, (ii) Holdings II hereby grants to the Grantee the number of Holdings II Units set forth in the RHU Grant Certificate and (iii) the Corporation hereby grants to the Grantee the number of SERs set forth in the RHU Grant Certificate. The grant of RHUs hereunder is conditioned upon the Grantee's (a) execution of a supplement to the Limited Partnership Agreement of Holdings II, attached hereto as Appendix C and (b) agreement to and compliance with the provisions of the confidentiality and restrictive covenant agreement, attached hereto as Appendix D (the "**Confidentiality and Restrictive Covenant Agreement**") and incorporated herein by reference. The "**Grant Acceptance Date**" is the date on which the Grantee accepted the grant of RHUs and concurrently agreed to become bound by the terms of the RHU Grant Certificate, this Agreement and the Plan, as designated on the signature page(s) hereto.

**ARTICLE II  
VESTING AND EXCHANGE OF RESTRICTED HOLDINGS UNITS**

**Section 2.1. Vesting of Restricted Units.**

- (a) Subject to the terms and conditions contained herein and in the Operating Agreements, the Restricted Units shall vest as provided in the RHU Grant Certificate and this Section 2.1.
  - (i) Subject to the Grantee's continued Employment through the Service Vesting Date(s) as specified in the RHU Grant Certificate, the Restricted Units shall become vested on such date(s) as to the percentage(s) set forth in the RHU Grant Certificate.
  - (ii) If, prior to the date the Restricted Units are vested or such Restricted Units otherwise terminate and are forfeited: (A) the Grantee's Employment terminates due to the Grantee's Retirement, then all Retirement Restricted Units shall be vested; (B) the Grantee dies or experiences a Disability, then all unvested Restricted Units shall be vested; and (C) a Change in Control occurs prior to any termination of the Grantee's Employment, then all

or any portion of any unvested Restricted Units may be vested, subject, in each case of clause (A), (B) or (C), to the discretion of the Administrator. Notwithstanding the foregoing, if the Corporation receives an opinion of

counsel that there has been a legal judgment or legal development in the Grantee's jurisdiction that would likely result in the favorable treatment applicable to the Retirement Restricted Units pursuant to this Section 2.1(a)(ii) being deemed unlawful or discriminatory, then the Corporation will not apply the favorable treatment at the time the Grantee's Employment terminates due to the Grantee's Retirement under clause (A) above, and the Restricted Units will be treated as set forth in Section 2.1(a)(i), 2.1(b), 2.1(c) or the other provisions of this Section 2.1(a)(ii), as applicable.

- (b) If the Grantee's Employment terminates prior to an applicable Service Vesting Date for any reason other than due to the Grantee's death, Disability or Retirement, all then unvested Restricted Units and all corresponding SERs shall immediately terminate and be forfeited without consideration, and no exchange of such unvested Restricted Units for shares of Common Stock pursuant to Section 2.2 shall occur.
- (c) Unless otherwise agreed in writing between the Grantee and the Corporation or as otherwise determined by the Administrator in its sole discretion at the time of grant or otherwise, the right to vest in the Restricted Units, if any, will terminate effective as of the date that the Grantee is no longer actively providing services (even if still considered employed or engaged under local Law) and will not be extended by any notice period mandated under local Law (e.g., active Employment would not include a period of "garden leave" or similar period pursuant to local Law) (a "Service Termination"), and all unvested Restricted Units and corresponding SERs shall immediately be forfeited upon such date. The Administrator has the sole discretion and authority to determine whether the Grantee is actively providing services (including in respect of any period following the Grantee's delivery of notice of resignation or receipt of notice of termination).
- (d) Once a Class P Unit is vested and becomes an Equitized Class P Series Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership), it shall be automatically converted into a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership.
- (e) Notwithstanding anything herein to the contrary, any Restricted Units that vest prior to the applicable Service Vesting Date pursuant to Sections 2.1(a)(ii)(A) or (B) hereof shall be deemed to be unvested Restricted Units, and shall not be "vested" or "vest," until the applicable Service Vesting Date for all other purposes under this Agreement and applicable organizational documents (including the Operating Agreements).

**Section 2.2. Exercise of SERs and Exchange of Restricted Units.**

- (a) To the extent that a Holdings II Unit becomes vested and the related Class P Unit has become a vested and Equitized Class P Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership) and automatically converted to a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership (subject to Section 2.1(e)), the Grantee may elect to exercise the corresponding SER to (i) receive from Holdings II a Class A Unit underlying the Holdings II Unit in connection with the redemption thereof, and (ii) exchange such Class A Unit for a share of Common Stock, in each case, on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications (the "Exchange"). Restricted Units may be Exchanged on a quarterly basis, pursuant to policies and procedures established by the Administrator in its sole discretion from time to time. The Administrator shall have the sole discretion to impose policies and procedures for any sale of shares of Common Stock received by the Grantee in the Exchange. The date on which any Restricted Unit is to be Exchanged hereunder is referred to as an "Exchange Date."

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- (b) On any Exchange Date, each vested Holdings II Unit subject to the Exchange shall be cancelled and each related Class A Unit shall be transferred to the Corporation or its designated subsidiary in exchange for the Corporation delivering, or causing to be delivered, to the Grantee either (i) the number of shares of Common Stock equal to the number of Restricted Units that are subject to the Exchange on such Exchange Date pursuant to Section 2.2(a), subject to customary conversion rate adjustments for splits, unit distributions and reclassifications or (ii) an amount of cash, denominated in U.S. dollars, equal to the Fair Market Value of the foregoing number of shares of Common Stock (a "Cash Payment"). The Administrator may elect in its sole discretion whether to Exchange the Restricted Units for shares of Common Stock or for a Cash Payment. The delivery of shares of Common Stock or Cash Payment to the Grantee shall be made as soon as administratively practicable on or following the applicable Exchange Date (or next permissible trading window of Common Stock). Any of the foregoing payments or deliveries shall in all instances be subject to Sections 4.4 and 4.6.
- (c) Subject to the provisions of this Article II relating to the number of shares of Common Stock that are to be delivered or Cash Payment that is to be paid on any applicable delivery date and solely to the extent permitted under Section 409A, if applicable, the Corporation may impose such other conditions and procedures in relation to such delivery or payment as it may reasonably determine, including with respect to the Exchange.

- (d) To the extent (i) the Grantee's Employment terminates or the Grantee undergoes a Service Termination, in either case, for any reason, and (ii) any Holdings II Unit becomes, or has become, vested and the related Class P Unit becomes, or has become, a vested and Equitized Class P Series Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership) and automatically converted to a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership (subject to Section 2.1(e)), the Administrator may, in its sole discretion, elect to exercise the corresponding SER and force an Exchange without any action on the part of the Grantee or the Grantee's consent (a "Forced Exchange"). In the event of a Forced Exchange, each vested Holdings II Unit subject to the Exchange shall be cancelled and each related Class A Unit shall be transferred to the Corporation or its designated subsidiary in exchange for the Corporation delivering, or causing to be delivered by the Designated Service Recipient, to the Grantee either (A) the number of shares of Common Stock equal to the number of Restricted Units that are subject to the Exchange on such Exchange Date pursuant to this Section 2.2(d), subject to customary conversion rate adjustments for splits, unit distributions and reclassifications or (B) a Cash Payment, as determined by the Administrator, in its sole discretion. The delivery of shares of Common Stock or Cash Payment to the Grantee shall be made as soon as administratively practicable on or following the applicable Exchange Date (or next permissible trading window of Common Stock). Any of the foregoing payments or deliveries shall in all instances be subject to Sections 4.4 and 4.6.

**Section 2.3. Dividend and Distribution Payments.** The RHUs granted to the Grantee hereunder do not include the right to receive any dividend payments with respect to the Common Stock. Any Distribution paid by KKR Group Partnership to Holdings II with respect to Class A Units held by Holdings II shall be allocated and payable by Holdings II to the Grantee of the Restricted Units corresponding to such Class A Units as provided in the Operating Agreements (subject to Section 2.1(e)).

### ARTICLE III

#### RESTRICTIONS ON TRANSFERS AND OTHER LIMITATIONS

**Section 3.1. Transfer Restrictions on Holdings II Units and Stock Exchange Rights.**

- (a) The Grantee may not Transfer all or any portion of the Grantee's Holdings II Units or SERs to any Person (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator.

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- (b) Prior to a Transfer of any Holdings II Units or SERs to any Person that the Administrator consents to, such Person must consent in writing to be bound by this Agreement and deliver such consent to the Administrator.
- (c) Any purported Transfer of Holdings II Units or SERs that is not in accordance with this Section 3.1 or which would cause Holdings II or the KKR Group Partnership to be treated as a "publicly traded partnership", as defined in Section 7704 of the U.S. Internal Revenue Code of 1986, as amended, is null and void.
- (d) Transfers of Holdings II Units shall be subject to further conditions and/or restrictions, if any, set forth in the Limited Partnership Agreement of Holdings II.

**Section 3.2. Confidentiality and Restrictive Covenant Agreement.** The Grantee acknowledges and agrees that the Grantee is bound by and will comply with the Confidentiality and Restrictive Covenant Agreement contained in Appendix D and any other similar agreements that the Grantee has entered into with the Designated Service Recipient, the Corporation, KKR Associates Holdings L.P., or any other member of the KKR Group, as applicable, as such agreements may be amended from time to time. If the Grantee is a limited partner of KKR Associates Holdings L.P., the Grantee further acknowledges and agrees that references to a Confidentiality and Restrictive Covenant Agreement in the limited partnership agreement of KKR Associates Holdings L.P. shall be deemed to include the Confidentiality and Restrictive Covenant Agreement contained in Appendix D hereto.

**Section 3.3. Post-Vesting Transfer Restrictions.**

The provisions of this Section 3.3 and any references to a Transfer-Restricted Unit shall not be applicable to the Holdings II Units or SERs granted to the Grantee hereunder if so indicated on the RHU Grant Certificate.

- (a) The Grantee may not Transfer or Exchange all or any portion of the Grantee's Transfer-Restricted Units (as defined below) (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator. Any permitted Transfer pursuant to this Section 3.3(a) shall be made in accordance with Section 3.1. No Class A Unit or Class P Unit corresponding to a Transfer-Restricted Unit may be exchanged for a share of Common Stock pursuant to the Exchange.
- (b) A "Transfer-Restricted Unit" refers to all Holdings II Units and corresponding SERs held by the Grantee until (i) the first anniversary of the applicable Service Vesting Date (or date of the Change in Control in the event of vesting in accordance with Section 2.1(a)(ii)(C)), in the case of 50% of such Holdings II Units and corresponding SERs and (ii) the second anniversary of such Service Vesting Date (or date of the Change in Control in the event of vesting in accordance with Section 2.1(a)(ii)(C)), in the case of the remaining 50% of such Holdings II Units and corresponding SERs; provided that if the Grantee has given or been given notice of termination of Grantee's Employment, then the Administrator, in its sole discretion, may direct that any Holdings II Units and corresponding SERs that is then Transfer-Restricted Units shall continue to be Transfer Restricted Units until the expiration of the later to occur of the Non-Compete Period (as defined in Appendix D) or the Non-Solicit Period (as defined in Appendix D) applicable to the Grantee, unless an earlier date is selected by the Administrator, in its sole discretion.

- (c) If the Grantee breaches in any significant or intentional manner, as determined by the Administrator in its sole discretion, any of the Grantee's covenants in Appendix D, the Administrator, in its sole discretion, may direct that the Grantee forfeit all or a portion of the Transfer-Restricted Units held by the Grantee, in which case all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II shall also be forfeited. If (x) the Grantee gives notice of termination of the Grantee's Employment for any reason during the period of time beginning on the Grant Date and ending on the one year anniversary of the Grant Date and (y) the Co-Chief Executive Officers and the Co-Executive Chairmen, as applicable, of the Corporation determine, acting in their sole discretion and by majority vote, that the Corporation would not have granted RHUs to the Grantee had the Corporation known that the Grantee's Employment would terminate in such manner, the

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discretion and by majority vote, that the Corporation would not have granted RHUs to the Grantee had the Corporation known that the Grantee's Employment would terminate in such manner, the Administrator in its sole discretion may direct that the Grantee forfeit all or a portion of the Transfer-Restricted Units that are held by the Grantee pursuant to this Agreement (but not other grant agreements) in respect of any Restricted Units that are immediately vested as of the Grant Date, in which case all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II shall also be forfeited. If the Grantee's Employment is terminated for Cause, as determined by the Administrator in its sole discretion, all Transfer-Restricted Units held by the Grantee shall automatically be forfeited together with all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II, unless otherwise determined by the Administrator, in its sole discretion. The Grantee hereby consents and agrees to immediately surrender and deliver such Transfer-Restricted Units to the Corporation, or its designee, without the payment of any consideration, receipt of any further notice or fulfillment of any other condition. Any forfeiture of Transfer-Restricted Units pursuant to this Section 3.3(c) shall require no additional procedures on the part of the Corporation, Holdings II, KKR Group Partnership or any of their Affiliates.

- (d) Any purported Transfer or Exchange of Transfer-Restricted Units that is not in accordance with this Section 3.3 is null and void. In the event of a property settlement or separation agreement between the Grantee and his or her spouse, the Grantee agrees that he or she shall use reasonable efforts to retain all of his or her Holdings II Units and SERs and shall reimburse his or her spouse for any interest he or she may have under this Agreement out of funds, assets or proceeds separate and distinct from his or her interest under this Agreement.

#### **Section 3.4. Minimum Retained Ownership Requirement.**

The provisions of this Section 3.4 shall not be applicable to the Holdings II Units or SERs granted to the Grantee hereunder if so indicated on the RHU Grant Certificate.

- (a) For so long as the Grantee retains his or her Employment, the Grantee (collectively with all Permitted Transferees, if applicable) must continuously hold an aggregate number of Common Stock Equivalents (defined below) that is at least equal to the Minimum Retained Ownership Percentage of the cumulative amount of (x) all Holdings II Units granted to the Grantee under this Agreement and (y) all other Holdings II Units subject to a minimum retained ownership requirement that have been or are hereafter granted to the Grantee under the Operating Agreements and the Plan, in each case, that have become vested pursuant to Section 2 (or similar provision in any other applicable grant agreement), prior to any Exchange permitted by Section 2.2 (or similar provision in any other applicable grant agreement).
- (b) "Common Stock Equivalents" means any combination of: (i) Holdings II Units that are or become vested pursuant to Section 2 of this Agreement (even if they are Transfer-Restricted Units) but not exchanged and shares of Common Stock delivered upon Exchange of such Holdings II Units and not designated for sale and (ii) Holdings II Units subject to a minimum retained ownership requirement granted to the Grantee under the Operating Agreements and the Plan that are or become vested pursuant to a provision similar to Section 2 to this Agreement (even if a provision similar to the transfer restrictions on the Transfer-Restricted Units has not yet been satisfied) but not exchanged and shares of Common Stock delivered upon Exchange of such Holdings II Units and not designated for sale.
- (c) Any purported Transfer or Exchange of any Holdings II Units or Common Stock that would result in a violation of this Section 3.4 is null and void. Notwithstanding anything to the contrary contained in this Agreement (including, without limitation, Section 4.8) this Section 3.4 shall survive any termination of this Agreement.

**Section 3.5. Waiver of Restrictions.** The Administrator may, from time to time, waive the provisions of Section 3.3 or Section 3.4 of this Agreement, subject to the imposition of any conditions or further requirements, as determined

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by the Administrator in its sole discretion. Without limiting the foregoing, to the extent the Administrator waives the application of Section 3.3 or Section 3.4, (i) equivalent restrictions on the Grantee's other equity, if any, held in the

Corporation or any of its respective Affiliates (or any of their respective equity incentive plans) may be imposed and (ii) the Grantee hereby consents in advance to the imposition of such equivalent restrictions for purposes of the governing documents of Grantee's other equity, if any, held in the Corporation or any of its respective Affiliates (or any of their respective equity incentive plans).

#### ARTICLE IV MISCELLANEOUS

**Section 4.1. Governing Law.** This Agreement and RHU Grant Certificate shall be governed by, and construed in accordance with, the laws of the State of New York, United States of America, without giving effect to any otherwise governing principles of conflicts of law that would apply the Laws of another jurisdiction.

**Section 4.2. Operating Agreements and Plan.** In the event of a conflict or inconsistency between the terms and provisions of the Operating Agreements or the Plan and the provisions of this Agreement, the Operating Agreements or the Plan, as applicable, shall govern and control.

**Section 4.3. Arbitration.** EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE U.S. FEDERAL AND STATE COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 4.3, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by arbitration conducted by a single arbitrator in New York, New York in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution. The arbitrator shall be a lawyer with substantial experience in the alternative asset management industry. The parties shall first confer in good faith in an attempt to agree upon a mutually acceptable arbitrator with the qualifications specified in this Section 4.3. If the parties to the dispute fail to agree on the selection of an arbitrator within 30 days of the receipt of the request for arbitration, the arbitrator shall be selected in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution, provided that the selected arbitrator shall have the qualifications specified in this Section 4.3. The arbitrator shall conduct the proceedings in the English language. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The arbitrators shall have the authority to award any remedy or relief that a court of competent jurisdiction could order or grant, including, without limitation, the issuance of an injunction. However, either party may, without inconsistency with this arbitration provision, bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling the other party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, or enforcing an arbitration award. The Grantee irrevocably appoints the Secretary or **Chief Legal Officer and** General Counsel of the Corporation as such Grantee's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Grantee of any such service of process, shall be deemed in every respect effective service of process upon the Grantee in any such action or proceeding. Except as necessary in court proceedings to enforce this arbitration provision or an award rendered hereunder, to obtain interim relief or as otherwise required by law, neither a party nor an arbitrator may disclose the content or results of any arbitration hereunder without the prior written consent of the Corporation and the Grantee, other than general statements.

**Section 4.4. Remedies; Recoupment; Right to Set-Off.**

- (a) The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law or under the terms of any other applicable agreement.
- (b) To the extent required or advisable, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules promulgated thereunder and any other similar Laws including, as applicable, but not limited to the European Directives 2011/61/EU, 2013/36/EU and 2014/91/EU, the Administrator may specify in any other document or a policy to be incorporated into this

applicable, but not limited to the European Directives 2011/61/EU, 2013/36/EU and 2014/91/EU, the Administrator may specify in any other document or a policy to be incorporated into this Agreement by reference, that the Grantee's rights, payments, and benefits with respect to RHUs awarded hereunder and/or Common Stock delivered to the Grantee in respect of RHUs awarded hereunder shall be subject to reduction, cancellation, forfeiture or recoupment.

- (c) The Grantee further acknowledges and agrees that KKR Group shall have the right to clawback, forfeit, cancel, recoup, reduce or set-off any distribution or payment that is due or payable (or that the Administrator reasonably determines may become due or payable) to the Grantee pursuant to any agreement with the KKR Group (including but not limited to partnership agreements of KKR Holdings II L.P. and KKR Associates Holdings L.P.) or otherwise for the purpose of fulfilling any present or future obligation or liability of whatever nature (whether matured or unmatured, absolute or contingent) that the Grantee has to make (or that the Administrator reasonably determines may become such an obligation or liability to make) any payment or contribution to the KKR Group, regardless of whether the payment or contribution is currently due or payable, or may become due or payable in the future, whether in advance of or without adjudication (*provided* that the Administrator must act in good faith when determining any contribution or payment that may become due or payable as a result of damage to the KKR Group arising from a breach by Grantee of any of Grantee's written agreements with the KKR Group or other wrongdoing), and notwithstanding any other agreements between the Grantee and the KKR Group entered into prior to the date hereof.

#### **Section 4.5. Amendments and Waivers.**

- (a) This Agreement (including the RHU Grant Certificate and Appendices A through E attached hereto, as applicable) may be amended, supplemented, waived or modified only in accordance with Section 4(b) of the Plan or Section 13 of the Plan, as applicable, or as may be required for purposes of compliance or enforceability with applicable local Law; *provided, however*, that the RHU Grant Certificate shall be deemed amended from time to time to reflect any adjustments provided for in the Operating Agreements or the Plan.
- (b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

#### **Section 4.6. Withholding.**

(a) The provisions of Section 4(d) of the Plan are incorporated herein by reference and made a part hereof. Regardless of any action the Corporation or the Designated Service Recipient takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("**Tax-Related Items**"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and may exceed the amount, if any, actually withheld by the Corporation or the Designated Service Recipient. The Grantee further acknowledges that the Corporation and/or the Designated Service Recipient (1) make no representations or undertakings regarding the treatment of any Tax-Related Items and (2) are under no obligation to structure the terms of the RHUs to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. The Corporation may refuse to issue or deliver Common Stock, the Cash Payment or the proceeds of the sale of Common Stock, if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items as set forth in this Section 4.6.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Grantee will pay or make adequate arrangements satisfactory to the Corporation and/or the Designated Service Recipient to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Corporation and/or the Designated Service Recipient to satisfy the obligations with regard to all Tax-Related Items, if any, by one or a combination of the following:

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- (i) withholding from the Cash Payment, the Grantee's wages or other cash compensation paid to the Grantee by the Corporation and/or the Designated Service Recipient; or

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- (ii) withholding from proceeds of the sale of Common Stock delivered upon the Exchange either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Grantee's behalf pursuant to this authorization); or
- (iii) withholding in Common Stock to be delivered upon the Exchange.

The Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in the Grantee's jurisdiction(s), in which case the Grantee may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Common Stock. If the obligation for Tax-Related Items is satisfied by withholding in Common Stock, the Grantee is deemed to have been issued the full number of shares of Common Stock subject to the Exchange, notwithstanding that a number of shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items. Finally, the Grantee shall pay to the Corporation or the Designated Service Recipient any amount of Tax-Related Items that the Corporation or the Designated Service Recipient may be required to withhold or account for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Grantee's liability for Tax-Related items, if any, will survive the Grantee's withdrawal from Holdings II or Transfer of any RHUs.

**Section 4.7. Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified):

(a) If to the Corporation, to:

KKR & Co. Inc.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: **Chief Legal Officer and** General Counsel and Secretary

(b) If to the KKR Group Partnership, to:

KKR Group Partnership L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: **Chief Legal Officer and** General Counsel and Secretary

(c) If to Holdings II, to:

KKR Holdings II L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: **Chief Legal Officer and** General Counsel and Secretary

(d) If to the Grantee, to the most recent address for the Grantee in the books and records of the Corporation or the Designated Service Recipient, as applicable.

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**Section 4.8. Entire Agreement; Termination of Agreement; Survival.**

(a) This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, pertaining thereto. The Grantee acknowledges that the grant of RHUs provided for under this Agreement is in full satisfaction of any and all grants of equity or equity-based awards that

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representatives of the Corporation or its Affiliates, on or prior to the date hereof, may have informed the Grantee that such Grantee is entitled to receive.

(b) This Agreement shall terminate when the Grantee and all Permitted Transferees cease to hold any of the RHUs that have been granted hereto.

**Section 4.9. Severability.** If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner to the fullest extent possible.

**Section 4.10. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by law, shall be enforceable by the parties.

**Section 4.11. Appendices.** Appendices A, B, C, D and E constitute part of this Agreement. Notwithstanding the provisions of this Article, the provisions of Appendices A, B, C, D and E shall be applicable only to the interpretation, administration and enforcement of the provisions of Appendix D, but not to any other provisions of this Agreement.

**Section 4.12. Further Assurances.** The Grantee shall perform all other acts and execute and deliver all other documents as may be necessary to carry out the terms of this Agreement.

**Section 4.13. Section 409A; Employment with D**



(a) This Section 4.13(a) applies to Grantees who are U.S. tax residents (such as, a U.S. citizen, green card holder or a U.S. tax resident Employment of or the services to be provided by the Grantee, shall be deemed to refer to a "separation from service" within the mean Employment the Grantee is a "specified employee" as defined in Section 409A of the Code and the deferral of the commencement of an necessary in order to prevent any accelerated or additional tax under Section 409A, then, to the extent that Section 409A applies to the Rf in such payments or delivery of Common Stock ultimately paid or provided to the Grantee) until the date that is six months following the deliveries due to the Grantee hereunder could cause the application of an accelerated or additional tax under Section 409A, such payment such payment or other delivery shall be restructured, to the extent possible, in a manner, determined by the Administrator, that does not c this Section 4.13(a) in good faith; *provided* that none of the Corporation, the Administrator nor any of the Corporation's or KKR Group's, as

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employees, directors or representatives shall have any liability to the Grantee with respect to this Section 4.13(a).

(b) Nothing in this Agreement shall be deemed to obligate the Corporation, Designated Service Recipient or any other member of the KKR Group, as applicable, t

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other member of the KKR Group, as applicable, from terminating the Grantee's Employment at any time or for any reason whatsoever, with or

**Section 4.14. Counterparts.** This Agreement may be executed and delivered (including by facsimile electronic transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

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**IN WITNESS WHEREOF**, the Corporation, KKR Group Partnership and Holdings II have executed this Agreement as of the date specified under the signature of the Grantee.

**KKR & Co. Inc.**

By: \_\_\_\_\_  
Name:  
Title:

**KKR Group Partnership L.P.**

By: KKR Group Holdings Corp.,  
its general partner

By: \_\_\_\_\_  
Name:  
Title:

**KKR Holdings II L.P.**

By: KKR Group Holdings Corp.,  
its general partner

By: \_\_\_\_\_  
Name:  
Title:

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**IN WITNESS WHEREOF**, the undersigned Grantee has caused this counterpart signature page to this Agreement to be duly executed as of the date specified under the signature of the Grantee.

## “GRANTEE”

### Electronic Signature

Name: **Participant Name**

Grant Acceptance Date: **Grant Acceptance Date**

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## APPENDIX A

### DEFINITIONS

In addition to the defined terms set forth in the Plan, the following terms shall have the following meanings for purposes of the Agreement:

“**Cause**” means, with respect to the Grantee, the occurrence or existence of any of the following as determined fairly on an informed basis and in good faith by the Administrator: (i) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct by the Grantee against any member of the KKR Group (including the Corporation) or a Portfolio Company (as defined below), (ii) a Regulatory Violation that has a material adverse effect on (x) the business of any member of the KKR Group or (y) the ability of the Grantee to function as an employee, associate or in any similar capacity (including consultant) with respect to the KKR Group, taking into account the services required of the Grantee and the nature of the business of the KKR Group, or (iii) a material breach by the Grantee of a material provision of any Written Policies & Agreements or the deliberate failure by the Grantee to perform the Grantee’s duties to the KKR Group, *provided that* in the case of this clause (iii), the Grantee has been given written notice of such breach or failure within 45 days of the KKR Group becoming aware of such breach or failure and, where such breach or failure is curable, the Grantee has failed to cure such breach or failure within (A) 15 days of receiving notice thereof or (B) such longer period of time, not to exceed 30 days, as may be reasonably necessary to cure such breach or failure *provided that* the Grantee is then working diligently to cure such breach or failure; and *provided further*, that if such breach or failure is not capable of being cured, the notice given to the Grantee may contain a date of termination that is earlier than 15 days after the date of such notice.

“**Class A Units**” means the Class A Units of KKR Group Partnership under the Limited Partnership Agreement of KKR Group Partnership.

“**Designated Service Recipient**” means any member of the KKR Group that employs the Grantee or with which the Grantee is similarly associated.

“**Disability**” means, as to any Person, such Person’s inability to perform in all material respects such Person’s duties and responsibilities to the KKR Group by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the Administrator may reasonably determine in its sole discretion.

“**Employment**” means the Grantee’s employment (including any similar association determined by the Administrator to constitute employment for purposes of this Agreement) with the Designated Service Recipient or any other member of the KKR Group.

“**Exchange Agreement**” **Group Partnership**” means the Third Amended and Restated Exchange Agreement, dated as of January 1, 2020, among KKR Group Partnership, KKR Holdings L.P., the Corporation, and KKR Group Holdings Corp.

“**Group Partnership**” means KKR Group Partnership, along with its successor and any other legal entity designated in the future as a “Group Partnership” **Partnership**” by the Corporation.

“**KKR Group**” means (i) the Corporation and KKR Management LLP (and its successors), (ii) any direct or indirect subsidiaries of the Corporation, including but not limited to the Group Partnership and its direct and indirect subsidiaries (not including Portfolio Companies), (iii) KKR Associates Holdings L.P. and KKR Associates Reserve L.P., their respective general partners, and the direct or indirect subsidiaries of KKR Associates Holdings L.P. and KKR Associates Reserve L.P., respectively, and (iv) any investment fund, account or vehicle that is managed, advised or sponsored by any member of the KKR Group (the “**Funds**”).

“**Law**” means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Corporation or any Grantee, as the case may be.

“**Limited Partnership Agreement of Holdings II**” means the Amended and Restated Limited Partnership Agreement of Holdings II, dated as of January 1, 2020 January 1, 2022, as amended from time to time.

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“**Limited Partnership Agreement of KKR Group Partnership**” means the Third Amended and Restated Limited Partnership Agreement of KKR Group Partnership, dated as of January 1, 2020, as amended from time to time.

**"Minimum Retained Ownership Percentage"** means the percentage set forth on the RHU Grant Certificate.

**"Permitted Transferee"** means (A) any person who is a "family member" of the Grantee, as such term is used in the instructions to Form S-8 under the Securities Act of 1933, as amended, or any successor form of registration statement promulgated by the Securities and Exchange Commission (collectively, the **"Immediate Family Members"**); (B) a trust solely for the benefit of the Grantee and his or her Immediate Family Members; (C) a partnership or limited liability company whose only partners or stockholders are the Grantee and his or her Immediate Family Members; (D) a beneficiary to whom donations are eligible to be treated as "charitable contributions" for federal income tax purposes; or (E) any other Person the Administrator consents to.

**"Person"** means any individual, corporation, partnership, limited liability company, trust, joint stock company, business trust, unincorporated association, joint venture, governmental authority or other entity of any nature whatsoever.

**"Portfolio Company"** means any portfolio companies, joint ventures or affiliated investments that are held as such by the KKR Group.

**"Regulatory Violation"** means, with respect to the Grantee (i) a conviction of the Grantee based on a trial or by an accepted plea of guilt or *nolo contendere* of any felony or misdemeanor crime involving moral turpitude, false statements, misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery, (ii) a final determination by any court of competent jurisdiction or governmental regulatory body (or an admission by the Grantee in any settlement agreement) that the Grantee has violated any U.S. federal or state or comparable non-U.S. securities laws, rules or regulations or (iii) a final determination by self-regulatory organization having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations (or an admission by the Grantee in any settlement agreement) that the Grantee has violated the written rules of such self-regulatory organization that are applicable to any member of the KKR Group.

**"Retirement"** means the resignation by the Grantee of the Grantee's Employment with the KKR Group (other than for Cause), on or after the date that the Grantee's age, plus the Grantee's years of Employment with the KKR Group, equals at least 80.

**"RHU Grant Certificate"** means the RHU Grant Certificate delivered to the Grantee and attached to this Agreement, as the same may be modified pursuant to Section 4.5(a) of the Agreement.

**"Section 409A"** means Section 409A of the U.S. Internal Revenue Code of 1986, as the same may be amended from time to time, and the applicable regulations, including temporary regulations, promulgated under such Section, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

**"Transfer"** or **"Transferred"** means with respect to any RHUs or Common Stock, as applicable, any (i) sale, assignment, transfer or other disposition thereof or any interests therein or rights attached thereto, whether voluntarily or by operation of Law, including but not limited to an Exchange, or (ii) creation or placement of any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

**"Vesting Date"** means, with respect to any RHU, any date set forth in the RHU Grant Certificate as a "Vesting Date."

**"Written Policies & Agreements"** means the written policies of the KKR Group included in its employee manual, code of ethics and confidential information and information barrier policies and procedures and other documents relating to the Grantee's Employment with the KKR Group, as applicable, and any agreements between the Grantee

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and a member of the KKR Group relating to the Grantee's Employment with the KKR Group, including but not limited to an employment agreement, if any, and the Confidentiality and Restrictive Covenant Agreement.

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Exhibit 10.27

**RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE  
UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN  
(EXECUTIVE – MARKET CONDITION)**

Pursuant to this Restricted Holdings Unit Grant Certificate, the Restricted Holdings Unit Agreement (as attached hereto) (the **"Restricted Holdings Unit Agreement"**) and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as may be amended from time to time, the **"Plan"**): (i) KKR Group Partnership L.P., a Cayman Islands exempted limited partnership (**"KKR Group Partnership"**), hereby issues the number of unvested profits interests in KKR Group Partnership, in the form of KKR Group Partnership Class P units (**"Class P Units"**), set forth below to KKR Holdings II L.P., a Cayman Islands exempted limited partnership (**"Holdings II"**); (ii) Holdings II hereby issues an equal number of unvested profits interests in Holdings II, in the form of Holdings II Class A units (**"Holdings II Units"**) and, together with the related Class P Units (or Class A Units upon automatic conversion, as applicable), **"Restricted Units"**, to the Grantee; and (iii) KKR & Co. Inc. (the **"Corporation"**) hereby grants an equal number of stock exchange rights (**"SERs"**) and, together with the related Restricted Units, the **"Restricted Holdings Units"** or **"RHUs"** to the Grantee. The RHUs are subject to all of the terms and conditions set forth herein, and in the Limited Partnership Agreement of KKR Group Partnership, the Limited Partnership Agreement of Holdings II and the Restricted Holdings Unit Agreement, as applicable. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Restricted Holdings Unit Agreement (including Appendix A to the Restricted Holdings Unit Agreement) and the Plan.

**Grantee:** **Participant Name**

**Grant Date:** **Grant Date**

Number of RHUs:

Vesting:

Number of Units Granted

The Restricted Units granted hereunder shall become vested in accordance with the vesting terms set forth below and other terms and conditions contained in the attached Restricted Holdings Unit Agreement.

1) Service Condition for Vesting

Provided that the applicable Price Condition (as defined below) has been achieved, the applicable percentage of the Restricted Units set forth in Section 2 below shall vest subject to the Grantee's continued Employment through and at the close of business on the Vesting Date (as defined below) (the "Service Condition"). Any RHUs that do not vest on the Vesting Date shall immediately be forfeited as of such date.

| Vesting Date |  |
|--------------|--|
|--------------|--|

2) Price Condition for Vesting

The "Price Condition" shall be achieved with respect to the maximum percentage of the Restricted Units set forth below when the average Closing Price (as defined below) per share of Common Stock during a period of twenty (20) consecutive trading days meets or exceeds the applicable "Price Target" on or prior to the Vesting Date, in each case, as specified in the chart below.

| Cumulative Percentage of Restricted Units that Satisfy the Price Condition | Price Target |
|----------------------------------------------------------------------------|--------------|
| %                                                                          | \$           |
| %                                                                          | \$           |
| %                                                                          | \$           |
| %                                                                          | \$           |

|   |    |
|---|----|
| % | \$ |
|---|----|

For purposes of this Restricted Holdings Unit Grant Certificate, "Closing Price" for any trading day shall mean the closing price per share of the Corporation's Common Stock reported on the NYSE (or, if not listed on the NYSE, the principal securities exchange on which such shares are listed). If such shares are not listed on any securities exchange, the Closing Price shall be the fair market value thereof as reasonably determined by the Administrator.

In the event of any extraordinary stock distribution, stock split, stock combination, recapitalization, rights offering, split-up, spin-off or similar event that constitutes an "equity restructuring" (as defined under Financial Accounting Standards Board (FASB) Accounting Standards Codification 718) with respect to the shares, the Administrator shall, in the manner determined appropriate or desirable by the Administrator and without liability to any person, adjust any or all of (x) the Price Target, (y) the number of Restricted Units, and (z) any other term applicable to the RHUs.

3) The "Measurement Date" means

Post-Vesting Transfer Restrictions under Section 3.3 of the Restricted Holdings Unit Agreement:

☐ Applicable ☐ Inapplicable

Minimum Retained Ownership Percentage under Section 3.4 of the Restricted Holdings Unit Agreement:

☐ Applicable ☐ Inapplicable

Minimum Retained Ownership Percentage if applicable: [ ]%

\* \* \*

THE UNDERSIGNED GRANTEE ACKNOWLEDGES RECEIPT OF THIS RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE, THE RESTRICTED HOLDINGS UNIT AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF RESTRICTED HOLDINGS UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE, THE RESTRICTED HOLDINGS UNIT AGREEMENT AND THE PLAN.

KKR GROUP PARTNERSHIP L.P.,  
by KKR Group Holdings Corp, its general partner

GRANTEE

Electronic Signature

By:

Name: Participant Name

Title:

Grant Acceptance Date: **Grant Acceptance Date**

KKR HOLDINGS II L.P.,  
by KKR Group Holdings Corp, its general partner

By:

Title:

KKR & CO. INC.

By:

Title:

**RESTRICTED HOLDINGS UNIT AGREEMENT**  
**UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN**  
**(EXECUTIVE – MARKET CONDITION)**

Pursuant to the Restricted Holdings Unit Grant Certificate (the “**RHU Grant Certificate**”) delivered to the Grantee (as defined in the RHU Grant Certificate), and subject to the terms of this Restricted Holdings Unit Agreement (this “**Agreement**”), the Limited Partnership Agreement of KKR Group Partnership (as defined below), the Limited Partnership Agreement of Holdings II (as defined below) and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as amended from time to time, the “**Plan**”), KKR & Co. Inc. (the “**Corporation**”), KKR Holdings II L.P. (“**Holdings II**”), KKR Group Partnership L.P. (“**KKR Group Partnership**”) and the Grantee agree as follows. The RHU Grant Certificate is incorporated into and deemed a part of this Agreement.

This Agreement sets forth the terms and conditions of one or more tandem awards of (i) unvested profits interests in KKR Group Partnership, pursuant to the Limited Partnership Agreement of KKR Group Partnership, in the form of KKR Group Partnership Class P units (“**Class P Units**”), (ii) unvested profits interests in Holdings II, pursuant to the Limited Partnership Agreement of Holdings II, in the form of Holdings II Class A units (“**Holdings II Units**”) and, together with the related Class P Units (or Class A Units upon automatic conversion, as applicable), “**Restricted Units**”) and (iii) stock exchange rights (“**SERs**”) issued by the Corporation pursuant to the Plan. Each tandem award of Class P Units, Holdings II Units and SERs is herein referred to as a “**Restricted Holdings Unit**” or an “**RHU**.” The Limited Partnership Agreement of KKR Group Partnership and the Limited Partnership Agreement of Holdings II are herein referred to as the “**Operating Agreements**.” Capitalized terms not otherwise defined herein or in Appendix A (attached hereto) shall have the meaning set forth in the Plan.

**ARTICLE I**

**GRANT OF RESTRICTED HOLDINGS UNITS**

**Section 1.1. Grant of Restricted Holdings Units.**

Subject to the terms and conditions set forth herein and in the Operating Agreements and the Plan, (i) KKR Group Partnership hereby grants to Holdings II the number of Class P Units set forth in the RHU Grant Certificate, (ii) Holdings II hereby grants to the Grantee the number of Holdings II Units set forth in the RHU Grant Certificate and (iii) the Corporation hereby grants to the Grantee the number of SERs set forth in the RHU Grant Certificate. The grant of RHUs hereunder is conditioned upon the Grantee’s (a) execution of a supplement to the Limited Partnership Agreement of Holdings II, attached hereto as Appendix C and (b) agreement to and compliance with the provisions of the confidentiality and restrictive covenant agreement, attached hereto as Appendix D (the “**Confidentiality and Restrictive Covenant Agreement**”) and incorporated herein by reference. The “**Grant Acceptance Date**” is the date on which the Grantee accepted the grant of RHUs and concurrently agreed to become bound by the terms of the RHU Grant Certificate, this Agreement and the Plan, as designated on the signature page(s) hereto.

**ARTICLE II**

**VESTING AND EXCHANGE OF RESTRICTED HOLDINGS UNITS**

**Section 2.1. Vesting of Restricted Units.**

(a) Subject to the terms and conditions contained herein and in the Operating Agreements, the Restricted Units shall vest as provided in the RHU Grant Certificate and this Section 2.1.

(i) Restricted Units will be eligible to vest on the date that both the Service Condition and the Price Condition (each as defined in the RHU Grant Certificate) with respect to such Restricted Units have been achieved, with the number of Restricted Units that vest on any such Vesting Date being equal to the cumulative percentage of Restricted Units that have met the Price Condition on such applicable Vesting Date (less any percentage of Restricted Units that previously vested), and any Restricted Unit that fails to satisfy the Price Condition by the close of business on the Vesting Date shall be canceled and forfeited without any consideration.

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(ii) If, prior to the date the Restricted Units are vested or such Restricted Units otherwise terminate and are forfeited:

(A) the Grantee’s Employment terminates due to the Grantee’s Retirement, then the Service Condition shall be waived for Restricted Units granted hereunder in an amount equal to (a) the applicable cumulative percentage of Restricted Units that satisfied the Price Condition at the time of the Grantee’s notice of Retirement or actual Retirement (as determined by the Administrator in its sole discretion) *multiplied by* (b) the total number of Restricted Units granted hereunder prorated to reflect the number of full years of service such Grantee provided from the Measurement Date through the date of such notice of Retirement or actual Retirement, as applicable, and such Restricted Units shall become vested as of such date;

- (B) the Grantee dies or experiences a Disability, then the Service Condition shall be waived for Restricted Units granted hereunder in an amount equal to (a) the applicable cumulative percentage of Restricted Units that satisfied the Price Condition at the time of the Grantee's death or Disability (as determined by the Administrator in its sole discretion) multiplied by (b) the total number of Restricted Units granted hereunder prorated to reflect the number of full years of service such Grantee provided from the Measurement Date through the date of death or Disability, as applicable; provided that, all such Restricted Units for which the Service Condition is waived shall become vested on the date of the Grantee's death or Disability; provided further that the Administrator in its sole discretion, may waive the Service Condition for all Restricted Units granted hereunder for the Grantee who dies or experiences a Disability prior to the Vesting Date, in which case all remaining unvested Restricted Units granted hereunder shall remain outstanding and eligible to vest until the Vesting Date, to the extent the applicable Price Conditions are thereafter satisfied with respect thereto, as if such Grantee's Employment had continued until the Vesting Date and any remaining Restricted Units that vest in accordance with this Section 2.1(a)(ii) (B) shall become vested on the date the applicable Price Condition is achieved. Any determination of the Grantee's death or Disability shall be determined by the Administrator in its sole discretion; and
- (C) a Change in Control occurs prior to any termination of the Grantee's Employment, then all or any portion of any unvested Restricted Units may be vested, subject to the discretion of the Administrator and, if so determined a vesting event, the date of the consummation of the Change in Control shall be deemed the "Vesting Date" for all purposes under this Agreement.

Notwithstanding the foregoing, if the Corporation receives an opinion of counsel that there has been a legal judgment or legal development in the Grantee's jurisdiction that would likely result in the favorable treatment applicable to the Restricted Units upon Retirement pursuant to this Section 2.1(a)(ii) being deemed unlawful or discriminatory, then the Corporation will not apply the favorable treatment at the time the Grantee's Employment terminates due to the Grantee's Retirement under clause (A) above, and the Restricted Units will be treated as set forth in Section 2.1(a)(i), 2.1(b), 2.1(c) or the other provisions of this Section 2.1(a)(ii), as applicable.

- (b) If the Grantee's Employment terminates prior to the Vesting Date for any reason other than due to the Grantee's death, Disability or Retirement, all then unvested Restricted Units and all corresponding SERs shall immediately terminate and be forfeited without consideration, and no exchange of such unvested Restricted Units for shares of Common Stock pursuant to Section 2.2 shall occur; provided that for Exempt Grantees whose Employment terminates prior the Vesting Date, the Service Condition shall be waived for Restricted Units granted hereunder in an amount equal to (a) the applicable cumulative percentage of Restricted Units that satisfied the Price Condition at the time of the Grantee's notice of termination or actual termination of Employment (as determined by the Administrator in its sole discretion) multiplied by (b) the total number of Restricted Units granted hereunder prorated to reflect the number of full years of service such Grantee provided from the Measurement Date through the date of such notice of termination or actual termination, as applicable; provided further that, all such Restricted Units for which the Service Condition is waived shall become vested on the date of such notice of termination or actual termination, as applicable.

"Exempt Grantee" means any Grantee whose termination of Employment was involuntary without Cause or due to reasons outside such Grantee's control, in each case, as determined by the Co-Chief Executive Officers and the Co-Executive Chairmen of the Corporation, acting in their sole discretion and by majority vote.

- (c) Unless otherwise agreed in writing between the Grantee and the Corporation or as otherwise determined by the Administrator in its sole discretion at the time of grant or otherwise, the right to vest in the Restricted Units, if any, will terminate effective as of the date that the Grantee is no longer actively providing services (even if still considered employed or engaged under local Law) and will not be extended by any notice period mandated under local Law (e.g., active Employment would not include a period of "garden leave" or similar period pursuant to local Law) (a "Service Termination"), and all unvested Restricted Units and corresponding SERs shall immediately be forfeited upon such date.
- (d) Once a Class P Unit is vested and becomes an Equitized Class P Series Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership), it shall be automatically converted into a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership.
- (e) Notwithstanding anything herein to the contrary, any Restricted Units that vest prior to the Vesting Date pursuant to Sections 2.1(a)(ii)(A) or (B) or Section 2.1(b) hereof shall be deemed to be unvested Restricted Units, and shall not be "vested" or "vest", until the Vesting Date for all other purposes under this Agreement and applicable organizational documents (including the Operating Agreements).

## Section 2.2. Exercise of SERs and Exchange of Restricted Units.

- (a) To the extent that a Holdings II Unit becomes vested and the related Class P Unit has become a vested and Equitized Class P Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership) and automatically converted to a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership (subject to Section 2.1(e)), the Grantee may elect to exercise the corresponding SER to (i) receive from Holdings II a Class A Unit underlying the Holdings II Unit in connection with the redemption thereof, and (ii) exchange such Class A Unit for a share of Common Stock, in each case, on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications (the "Exchange"). Restricted Units may be Exchanged on a quarterly basis, pursuant to the exchange procedures comparable to those set forth in the Exchange Agreement as established by the KKR Group from time to time. The Administrator shall have the sole discretion to impose policies and procedures for any Exchange and any sale of shares of Common Stock received by the Grantee in the Exchange. The date on which any Restricted Unit is to be Exchanged hereunder is referred to as an "Exchange Date."

- (b) On any Exchange Date, each vested Holdings II Unit subject to the Exchange shall be cancelled and each related Class A Unit shall be transferred to the Corporation or its designated subsidiary in exchange for the Corporation delivering, or causing to be delivered by the Designated Service Recipient, to the Grantee either (i) the number of shares of Common Stock equal to the number of Restricted Units that are subject to the Exchange on such Exchange Date pursuant to Section 2.2(a), subject to customary conversion rate adjustments for splits, unit distributions and reclassifications or (ii) an amount of cash, denominated in U.S. dollars, equal to the Fair Market Value of the foregoing number of shares of Common Stock (a "Cash Payment"). The Administrator may elect in its sole discretion whether to Exchange the Restricted Units for shares of Common Stock or for a Cash Payment. The delivery of shares of Common Stock or Cash Payment to the Grantee shall be made as soon as administratively practicable on or following the applicable Exchange Date (or next permissible trading window of Common Stock). Any of the foregoing payments or deliveries shall in all instances be subject to Sections 4.4 and 4.6.



- (c) Subject to the provisions of this Article II relating to the number of shares of Common Stock that are to be delivered or Cash Payment that is to be paid on any applicable delivery date and solely to the extent permitted under Section 409A, if applicable, the Corporation may impose such other conditions and procedures in relation to such delivery or payment as it may reasonably determine, including with respect to the Exchange.
- (d) To the extent (i) the Grantee's Employment terminates or the Grantee undergoes a Service Termination, in either case, for any reason, and (ii) any Holdings II Unit becomes, or has become, vested and the related Class P Unit becomes, or has become, a vested and Equitized Class P Series Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership) and automatically converted to a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership (subject to Section 2.1(e)), the Administrator may, in its sole discretion, elect to exercise the corresponding SER and force an Exchange without any action on the part of the Grantee or the Grantee's consent (a "Forced Exchange"). In the event of a Forced Exchange, each vested Holdings II Unit subject to the Exchange shall be cancelled and each related Class A Unit shall be transferred to the Corporation or its designated subsidiary in exchange for the Corporation delivering, or causing to be delivered by the Designated Service Recipient, to the Grantee either (A) the number of shares of Common Stock equal to the number of Restricted Units that are subject to the Exchange on such Exchange Date pursuant to this Section 2.2(d), subject to customary conversion rate adjustments for splits, unit distributions and reclassifications or (B) a Cash Payment, as determined by the Administrator, in its sole discretion. The delivery of shares of Common Stock or Cash Payment to the Grantee shall be made as soon as administratively practicable on or following the applicable Exchange Date (or next permissible trading window of Common Stock). Any of the foregoing payments or deliveries shall in all instances be subject to Sections 4.4 and 4.6.

**Section 2.3. Dividend and Distribution Payments.** The RHUs granted to the Grantee hereunder do not include the right to receive any dividend payments with respect to the Common Stock. Any Distribution paid by KKR Group Partnership to Holdings II with respect to Class A Units held by Holdings II shall be allocated and payable by Holdings II to the Grantee of the Restricted Units corresponding to such Class A Units as provided in the Operating Agreements (subject to Section 2.1(e)).

### ARTICLE III

#### RESTRICTIONS ON TRANSFERS AND OTHER LIMITATIONS

##### Section 3.1. Transfer Restrictions on Holdings II Units and Stock Exchange Rights.

- (a) The Grantee may not Transfer all or any portion of the Grantee's Holdings II Units or SERs to any Person (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator.

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- (b) Prior to a Transfer of any Holdings II Units or SERs to any Person that the Administrator consents to, such Person must consent in writing to be bound by this Agreement and deliver such consent to the Administrator.
- (c) Any purported Transfer of Holdings II Units or SERs that is not in accordance with this Section 3.1 or which would cause Holdings II or the KKR Group Partnership to be treated as a "publicly traded partnership", as defined in Section 7704 of the U.S. Internal Revenue Code of 1986, as amended, is null and void.
- (d) Transfers of Holdings II Units shall be subject to further conditions and/or restrictions, if any, set forth in the Limited Partnership Agreement of Holdings II.

**Section 3.2. Confidentiality and Restrictive Covenant Agreement.** The Grantee acknowledges and agrees that the Grantee is bound by and will comply with the Confidentiality and Restrictive Covenant Agreement contained in Appendix D and any other similar agreements that the Grantee has entered into with the Designated Service Recipient, the Corporation, KKR Associates Holdings L.P., or any other member of the KKR Group, as applicable, as such agreements may be amended from time to time. If the Grantee is a limited partner of KKR Associates Holdings L.P., the Grantee further acknowledges and agrees that references to a Confidentiality and Restrictive Covenant Agreement in the limited partnership agreements of KKR Associates Holdings L.P. shall be deemed to include the Confidentiality and Restrictive Covenant Agreement contained in Appendix D hereto.

##### Section 3.3. Post-Vesting Transfer Restrictions.

The provisions of this Section 3.3 and any references to a Transfer-Restricted Unit shall not be applicable to the Holdings II Units or SERs granted to the Grantee hereunder if so indicated on the RHU Grant Certificate.

- (a) The Grantee may not Transfer or Exchange all or any portion of the Grantee's Transfer-Restricted Units (as defined below) (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator. Any permitted Transfer pursuant to this Section 3.3(a) shall be made in accordance with Section 3.1. No Class A Unit or Class P Unit corresponding to a Transfer-Restricted Unit may be exchanged for a share of Common Stock pursuant to the Exchange.
- (b) A "Transfer-Restricted Unit" refers to all Holdings II Units and corresponding SERs held by the Grantee until (i) the first anniversary of the applicable Vesting Date, in the case of 50% of such Holdings II Units and corresponding SERs and (ii) the second anniversary of such Vesting Date, in the case of the remaining 50% of such Holdings II Units and corresponding SERs; provided that if the Grantee has given or been given notice of termination of Grantee's Employment, then the Administrator, in its sole discretion, may direct that any Holdings II Units and corresponding SERs that is then Transfer Restricted Units shall continue to be Transfer Restricted Units until the expiration of the later to occur of the Non-Compete Period (as defined in Appendix D) or the Non-Solicit Period (as defined in Appendix D) applicable to the Grantee, unless an earlier date is selected by the Administrator, in its sole discretion.
- (c) If the Grantee breaches in any significant or intentional manner, as determined by the Administrator in its sole discretion, any of the Grantee's covenants in Appendix D, the Administrator, in its sole discretion, may direct that the Grantee forfeit all or a portion of the Transfer-Restricted Units held by the Grantee, in which case all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II shall also be forfeited. If (x) the Grantee gives notice of termination of the Grantee's Employment for any reason during the period of time beginning on the Grant Date and ending on the one year anniversary of the Grant Date and (y) the Co-Chief Executive Officers and the Co-Executive Chairmen, as applicable, of the Corporation determine, acting in their sole discretion and by majority vote, that the Corporation would not have granted RHUs to the Grantee had the Corporation known that the Grantee's Employment would terminate in such manner, the

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Administrator in its sole discretion, may direct that the Grantee forfeit all or a portion of the Transfer-Restricted Units that are held by the Grantee pursuant to this Agreement (but not other grant agreements) in respect of any Restricted Units that are immediately vested as of the Grant Date, in which case all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II shall also be forfeited. If the Grantee's Employment is terminated for Cause, as determined by the Administrator in its sole discretion, all Transfer-Restricted Units held by the Grantee shall automatically be forfeited together with all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II, unless otherwise determined by the Administrator, in its sole discretion. The Grantee hereby consents and agrees to immediately surrender and deliver such Transfer-Restricted Units to the Corporation, or its designee, without the payment of any consideration, receipt of any further notice or fulfillment of any other condition. Any forfeiture of Transfer-Restricted Units pursuant to this Section 3.3(c) shall require no additional procedures on the part of the Corporation, Holdings II, KKR Group Partnership or any of their Affiliates.

- (d) Any purported Transfer or Exchange of Transfer-Restricted Units that is not in accordance with this Section 3.3 is null and void. In the event of a property settlement or separation agreement between the Grantee and his or her spouse, the Grantee agrees that he or she shall use reasonable efforts to retain all of his or her Holdings II Units and SERs and shall reimburse his or her spouse for any interest he or she may have under this Agreement out of funds, assets or proceeds separate and distinct from his or her interest under this Agreement.

#### **Section 3.4. Minimum Retained Ownership Requirement.**

The provisions of this Section 3.4 shall not be applicable to the Holdings II Units or SERs granted to the Grantee hereunder if so indicated on the RHU Grant Certificate.

- (a) For so long as the Grantee retains his or her Employment, the Grantee (collectively with all Permitted Transferees, if applicable) must continuously hold an aggregate number of Common Stock Equivalents (defined below) that is at least equal to the Minimum Retained Ownership Percentage of the cumulative amount of (x) all Holdings II Units granted to the Grantee under this Agreement and (y) all other Holdings II Units subject to a minimum retained ownership requirement that have been or are hereafter granted to the Grantee under the Operating Agreements and the Plan, in each case, that have become vested pursuant to Section 2 (or similar provision in any other applicable grant agreement), prior to any Exchange permitted by Section 2.2 (or similar provision in any other applicable grant agreement).
- (b) "Common Stock Equivalents" means any combination of: (i) Holdings II Units that are or become vested pursuant to Section 2 of this Agreement (even if they are Transfer-Restricted Units) but not exchanged and shares of Common Stock delivered upon Exchange of such Holdings II Units and not designated for sale and (ii) Holdings II Units subject to a minimum retained ownership requirement granted to the Grantee under the Operating Agreements and the Plan that are or become vested pursuant to a provision similar to Section 2 to this Agreement (even if a provision similar to the transfer restrictions on the Transfer-Restricted Units has not yet been satisfied) but not exchanged and shares of Common Stock delivered upon Exchange of such Holdings II Units and not designated for sale.
- (c) Any purported Transfer or Exchange of any Holdings II Units or Common Stock that would result in a violation of this Section 3.4 is null and void. Notwithstanding anything to the contrary contained in this Agreement (including, without limitation, Section 4.8) this Section 3.4 shall survive any termination of this Agreement.

**Section 3.5. Waiver of Restrictions.** The Administrator may, from time to time, waive the provisions of Section 3.3 or Section 3.4 of this Agreement, subject to the imposition of any conditions or further requirements, as determined by the Administrator in its sole discretion. Without limiting the foregoing, to the extent the Administrator waives the application of Section 3.3 or Section 3.4, (i) equivalent restrictions on the Grantee's other equity, if any, held in the

Corporation or any of its respective Affiliates (or any of their respective equity incentive plans) may be imposed and (ii) the Grantee hereby consents in advance to the imposition of such equivalent restrictions for purposes of the governing documents of Grantee's other equity, if any, held in the Corporation or any of its respective Affiliates (or any of their respective equity incentive plans).

### **ARTICLE IV MISCELLANEOUS**

**Section 4.1. Governing Law.** This Agreement and RHU Grant Certificate shall be governed by, and construed in accordance with, the laws of the State of New York, United States of America, without giving effect to any otherwise governing principles of conflicts of law that would apply the Laws of another jurisdiction.

**Section 4.2. Operating Agreements and Plan.** In the event of a conflict or inconsistency between the terms and provisions of the Operating Agreements or the Plan and the provisions of this Agreement, the Operating Agreements or the Plan, as applicable, shall govern and control.

**Section 4.3. Arbitration.** EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE U.S. FEDERAL AND STATE COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 4.3, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by arbitration conducted by a single arbitrator in New York, New York in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution. The arbitrator shall be a lawyer with substantial experience in the alternative asset management industry. The parties shall first confer in good faith in an attempt to agree upon a mutually acceptable arbitrator with the qualifications specified in this Section 4.3. If the parties to the dispute fail to agree on the selection of an arbitrator within 30 days of the receipt of the request for arbitration, the arbitrator shall be selected in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution, provided that the selected arbitrator shall have the qualifications specified in this Section 4.3. The arbitrator shall conduct the proceedings in the English language. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The arbitrators shall have the authority to award any remedy or relief that a court of competent jurisdiction could order or grant, including, without limitation, the issuance of an injunction. However, either party may, without inconsistency with this arbitration provision, bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling the other party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, or enforcing an arbitration award. The Grantee irrevocably appoints

the Secretary or General Counsel of the Corporation as such Grantee's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Grantee of any such service of process, shall be deemed in every respect effective service of process upon the Grantee in any such action or proceeding. Except as necessary in court proceedings to enforce this arbitration provision or an award rendered hereunder, to obtain interim relief or as otherwise required by law, neither a party nor an arbitrator may disclose the content or results of any arbitration hereunder without the prior written consent of the Corporation and the Grantee, other than general statements.

#### **Section 4.4. Remedies; Recoupment; Right to Set-Off.**

- (a) The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law or under the terms of any other applicable agreement.
- (b) To the extent required or advisable, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules promulgated thereunder and any other similar Laws including, as applicable, but not limited to the European Directives 2011/61/EU, 2013/36/EU and 2014/91/EU, the Administrator may specify in any other document or a policy to be incorporated into this

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Agreement by reference, that the Grantee's rights, payments, and benefits with respect to RHUs awarded hereunder and/or Common Stock delivered to the Grantee in respect of RHUs awarded hereunder shall be subject to reduction, cancellation, forfeiture or recoupment.

- (c) The Grantee further acknowledges and agrees that KKR Group shall have the right to clawback, forfeit, cancel, recoup, reduce or set-off any distribution or payment that is due or payable (or that the Administrator reasonably determines may become due or payable) to the Grantee pursuant to any agreement with the KKR Group (including but not limited to partnership agreements of KKR Holdings II L.P. and KKR Associates Holdings L.P.) or otherwise for the purpose of fulfilling any present or future obligation or liability of whatever nature (whether matured or unmatured, absolute or contingent) that the Grantee has to make (or that the Administrator reasonably determines may become such an obligation or liability to make) any payment or contribution to the KKR Group, regardless of whether the payment or contribution is currently due or payable, or may become due or payable in the future, whether in advance of or without adjudication (provided that the Administrator must act in good faith when determining any contribution or payment that may become due or payable as a result of damage to the KKR Group arising from a breach by Grantee of any of Grantee's written agreements with the KKR Group or other wrongdoing), and notwithstanding any other agreements between the Grantee and the KKR Group entered into prior to the date hereof.

#### **Section 4.5. Amendments and Waivers.**

- (a) This Agreement (including the RHU Grant Certificate and Appendices A through E attached hereto, as applicable) may be amended, supplemented, waived or modified only in accordance with Section 4(b) of the Plan or Section 13 of the Plan, as applicable, or as may be required for purposes of compliance or enforceability with applicable local Law; provided, however, that the RHU Grant Certificate shall be deemed amended from time to time to reflect any adjustments provided for in the Operating Agreements or the Plan.
- (b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

#### **Section 4.6. Withholding.**

(a) The provisions of Section 4(d) of the Plan are incorporated herein by reference and made a part hereof. Regardless of any action the Corporation or the Designated Service Recipient takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("Tax-Related Items"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and may exceed the amount, if any, actually withheld by the Corporation or the Designated Service Recipient. The Grantee further acknowledges that the Corporation and/or the Designated Service Recipient (1) make no representations or undertakings regarding the treatment of any Tax-Related Items and (2) are under no obligation to structure the terms of the RHUs to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. The Corporation may refuse to issue or deliver Common Stock, the Cash Payment or the proceeds of the sale of Common Stock, if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items as set forth in this Section 4.6.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Grantee will pay or make adequate arrangements satisfactory to the Corporation and/or the Designated Service Recipient to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Corporation and/or the Designated Service Recipient to satisfy the obligations with regard to all Tax-Related Items, if any, by one or a combination of the following:

- (i) withholding from the Cash Payment, the Grantee's wages or other cash compensation paid to the Grantee by the Corporation and/or the Designated Service Recipient; or

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- (ii) withholding from proceeds of the sale of Common Stock delivered upon the Exchange either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Grantee's behalf pursuant to this authorization); or

- (iii) withholding in Common Stock to be delivered upon the Exchange.

The Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in the Grantee's jurisdiction(s), in which case the Grantee may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Common Stock. If the obligation for Tax-Related Items is satisfied by withholding in Common Stock, the Grantee is deemed to have been issued the full number of shares of Common Stock subject to the Exchange, notwithstanding that a number of shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items. Finally, the Grantee shall pay to the Corporation or the Designated Service Recipient any amount of Tax-Related Items that the Corporation or the Designated Service Recipient may be required to withhold or account

for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Grantee's liability for Tax-Related items, if any, will survive the Grantee's withdrawal from Holdings II or Transfer of any RHUs.

**Section 4.7. Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified):

- (a) If to the Corporation, to:  
KKR & Co. Inc.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: General Counsel and Secretary
- (b) If to the KKR Group Partnership, to:  
KKR Group Partnership L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: General Counsel and Secretary
- (c) If to Holdings II, to:  
KKR Holdings II L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: General Counsel and Secretary
- (d) If to the Grantee, to the most recent address for the Grantee in the books and records of the Corporation or the Designated Service Recipient, as applicable.

**Section 4.8. Entire Agreement; Termination of Agreement; Survival.**

- (a) This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, pertaining thereto. The Grantee acknowledges that the grant of RHUs provided for under this Agreement is in full satisfaction of any and all grants of equity or equity-based awards that

representatives of the Corporation or its Affiliates, on or prior to the date hereof, may have informed the Grantee that such Grantee is entitled to receive.

- (b) This Agreement shall terminate when the Grantee and all Permitted Transferees cease to hold any of the RHUs that have been granted hereunder. Notwithstanding anything to the contrary herein, this Article IV shall survive any termination of this Agreement.

**Section 4.9. Severability.** If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

**Section 4.10. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

**Section 4.11. Appendices.** Appendices A, B, C, D and E constitute part of this Agreement. Notwithstanding the provisions of this Article IV, the provisions of Sections 9 through 18 (inclusive) of Appendix D shall govern solely with respect to, and shall be applicable only to the interpretation, administration and enforcement of the provisions of Appendix D, but not to any other provisions of this Agreement or any other Appendix.

**Section 4.12. Further Assurances.** The Grantee shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

**Section 4.13. Section 409A; Employment with Designated Service Recipient.**

- (a) This Section 4.13(a) applies to Grantees who are U.S. tax residents (such as, a U.S. citizen, green card holder or a U.S. tax resident under the substantial presence test) to the extent applicable. All references to any "separation from service" or termination of the Employment of or the services to be provided by the Grantee, shall be deemed to refer to a "separation from service" within the meaning of Section 409A, if applicable. Notwithstanding anything herein to the contrary, (i) if at the time of the Grantee's termination of Employment the Grantee is a "specified employee" as defined in Section 409A of the Code and the deferral of the commencement of any payments or delivery of Common Stock otherwise payable or provided hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A, then, to the extent that Section 409A applies to the RHUs, the Corporation will defer the commencement of the payment of any such payments or delivery hereunder (without any reduction in such payments or delivery of Common Stock ultimately paid or provided to the Grantee) until the date that is six months following the Grantee's termination of Employment (or the earliest date as is permitted under Section 409A) and (ii) if any other payments or other deliveries due to the Grantee hereunder could cause the application of an accelerated or additional tax under Section 409A, such payments or other deliveries shall be deferred if deferral will make such payment or other delivery compliant under Section 409A, or otherwise such payment or other delivery shall be restructured, to the extent possible, in a manner, determined by the Administrator, that does not cause such an accelerated or additional tax. The Corporation shall use commercially reasonable efforts to implement the provisions of this Section 4.13(a) in good faith; *provided* that none of the Corporation, the Administrator nor any of the Corporation's or KKR Group's, as applicable, employees, directors or representatives shall have any liability to the Grantee with respect to this Section 4.13(a).
- (b) Nothing in this Agreement shall be deemed to obligate the Corporation, Designated Service Recipient or any other member of the KKR Group, as applicable, to employ the Grantee in any capacity whatsoever or to prohibit or restrict the Corporation, Designated Service Recipient or any

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other member of the KKR Group, as applicable, from terminating the Grantee's Employment at any time or for any reason whatsoever, with or without Cause.

**Section 4.14. Counterparts.** This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

[Rest of page intentionally left blank]

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**IN WITNESS WHEREOF,** the Corporation, KKR Group Partnership and Holdings II have executed this Agreement as of the date specified under the signature of the Grantee.

**KKR & Co. Inc.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**KKR Group Partnership L.P.**

By: KKR Group Holdings Corp.,

its general partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**KKR Holdings II L.P.**

By: KKR Group Holdings Corp.,

its general partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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**IN WITNESS WHEREOF,** the undersigned Grantee has caused this counterpart signature page to this Agreement to be duly executed as of the date specified under the signature of the Grantee.

**"GRANTEE"**

**Electronic Signature**

Name: **Participant Name**

Grant Acceptance Date: **Grant Acceptance Date**

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## APPENDIX A

## DEFINITIONS

In addition to the defined terms set forth in the Plan, the following terms shall have the following meanings for purposes of the Agreement:

**"Cause"** means, with respect to the Grantee, the occurrence or existence of any of the following as determined fairly on an informed basis and in good faith by the Administrator: (i) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct by the Grantee against any member of the KKR Group (including the Corporation) or a Portfolio Company (as defined below), (ii) a Regulatory Violation that has a material adverse effect on (x) the business of any member of the KKR Group or (y) the ability of the Grantee to function as an employee, associate or in any similar capacity (including consultant) with respect to the KKR Group, taking into account the services required of the Grantee and the nature of the business of the KKR Group, or (iii) a material breach by the Grantee of a material provision of any Written Policies & Agreements or the deliberate failure by the Grantee to perform the Grantee's duties to the KKR Group, *provided that* in the case of this clause (iii), the Grantee has been given written notice of such breach or failure within 45 days of the KKR Group becoming aware of such breach or failure and, where such breach or failure is curable, the Grantee has failed to cure such breach or failure within (A) 15 days of receiving notice thereof or (B) such longer period of time, not to exceed 30 days, as may be reasonably necessary to cure such breach or failure *provided that* the Grantee is then working diligently to cure such breach or failure; and *provided further*, that if such breach or failure is not capable of being cured, the notice given to the Grantee may contain a date of termination that is earlier than 15 days after the date of such notice.

**"Class A Units"** means the Class A Units of KKR Group Partnership under the Limited Partnership Agreement of KKR Group Partnership.

**"Designated Service Recipient"** means any member of the KKR Group that employs the Grantee or with which the Grantee is similarly associated.

**"Disability"** means, as to any Person, such Person's inability to perform in all material respects such Person's duties and responsibilities to the KKR Group by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the Administrator may reasonably determine in its sole discretion.

**"Employment"** means the Grantee's employment (including any similar association determined by the Administrator to constitute employment for purposes of this Agreement) with the Designated Service Recipient or any other member of the KKR Group.

**"Exchange Agreement"** means the Third Amended and Restated Exchange Agreement, dated as of January 1, 2020, among KKR Group Partnership, KKR Holdings L.P., the Corporation, and KKR Group Holdings Corp.

**"Group Partnership"** means KKR Group Partnership, along with its successor and any other legal entity designated in the future as a "Group Partnership" by the Corporation.

**"KKR Group"** means (i) the Corporation and KKR Management LLP (and its successors), (ii) any direct or indirect subsidiaries of the Corporation, including but not limited to the Group Partnership and its direct and indirect subsidiaries (not including Portfolio Companies), (iii) KKR Associates Holdings L.P. and KKR Associates Reserve L.P., their respective general partners, and the direct or indirect subsidiaries of KKR Associates Holdings L.P. and KKR Associates Reserve L.P., respectively, and (iv) any investment fund, account or vehicle that is managed, advised or sponsored by any member of the KKR Group (the **"Funds"**).

**"Law"** means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Corporation or any Grantee, as the case may be.

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**"Limited Partnership Agreement of Holdings II"** means the Limited Partnership Agreement of Holdings II, dated as of January 1, 2020, as amended from time to time.

**"Limited Partnership Agreement of KKR Group Partnership"** means the Third Amended and Restated Limited Partnership Agreement of KKR Group Partnership, dated as of January 1, 2020, as amended from time to time.

**"Minimum Retained Ownership Percentage"** means the percentage set forth on the RHU Grant Certificate.

**"Permitted Transferee"** means (A) any person who is a "family member" of the Grantee, as such term is used in the instructions to Form S-8 under the Securities Act of 1933, as amended, or any successor form of registration statement promulgated by the Securities and Exchange Commission (collectively, the **"Immediate Family Members"**); (B) a trust solely for the benefit of the Grantee and his or her Immediate Family Members; (C) a partnership or limited liability company whose only partners or stockholders are the Grantee and his or her Immediate Family Members; (D) a beneficiary to whom donations are eligible to be treated as "charitable contributions" for federal income tax purposes; or (E) any other Person the Administrator consents to.

**"Person"** means any individual, corporation, partnership, limited liability company, trust, joint stock company, business trust, unincorporated association, joint venture, governmental authority or other entity of any nature whatsoever.

**"Portfolio Company"** means any portfolio companies, joint ventures or affiliated investments that are held as such by the KKR Group.

**"Regulatory Violation"** means, with respect to the Grantee (i) a conviction of the Grantee based on a trial or by an accepted plea of guilt or *nolo contendere* of any felony or misdemeanor crime involving moral turpitude, false statements, misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery, (ii) a final determination by any court of competent jurisdiction or governmental regulatory body (or an admission by the Grantee in any settlement agreement) that the Grantee has violated any U.S. federal or state or comparable non-U.S. securities laws, rules or regulations or (iii) a final determination by self-regulatory organization having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations (or an admission by the Grantee in any settlement agreement) that the Grantee has violated the written rules of such self-regulatory organization that are applicable to any member of the KKR Group.

**"Retirement"** means the resignation by the Grantee of the Grantee's Employment with the KKR Group (other than for Cause), on or after the date that the Grantee's age, plus the Grantee's years of Employment with the KKR Group, equals at least 80.

**"RHU Grant Certificate"** means the RHU Grant Certificate delivered to the Grantee and attached to this Agreement, as the same may be modified pursuant to Section 4.5(a) of the Agreement.

**"Section 409A"** means Section 409A of the U.S. Internal Revenue Code of 1986, as the same may be amended from time to time, and the applicable regulations, including temporary regulations, promulgated under such Section, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

**“Transfer”** or **“Transferred”** means with respect to any RHUs or Common Stock, as applicable, any (i) sale, assignment, transfer or other disposition thereof or any interests therein or rights attached thereto, whether voluntarily or by operation of Law, including but not limited to an Exchange, or (ii) creation or placement of any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

**“Vesting Date”** means, with respect to any RHU, any date set forth in the RHU Grant Certificate as a “Vesting Date.”

**“Written Policies & Agreements”** means the written policies of the KKR Group included in its employee manual, code of ethics and confidential information and information barrier policies and procedures and other documents relating to the Grantee’s Employment with the KKR Group, as applicable, and any agreements between the Grantee

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and a member of the KKR Group relating to the Grantee’s Employment with the KKR Group, including but not limited to an employment agreement, if any, and the Confidentiality and Restrictive Covenant Agreement.

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Exhibit 10.28

**RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE**  
**UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN**  
**(EXECUTIVE – SERVICE VESTING)**

Pursuant to this Restricted Holdings Unit Grant Certificate, the Restricted Holdings Unit Agreement (as attached hereto) (the **“Restricted Holdings Unit Agreement”**) and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as may be amended from time to time, the **“Plan”**): (i) KKR Group Partnership L.P., a Cayman Islands exempted limited partnership (**“KKR Group Partnership”**), hereby issues the number of unvested profits interests in KKR Group Partnership, in the form of KKR Group Partnership Class P units (**“Class P Units”**), set forth below to KKR Holdings II L.P., a Cayman Islands exempted limited partnership (**“Holdings II”**); (ii) Holdings II hereby issues an equal number of unvested profits interests in Holdings II, in the form of Holdings II Class A units (**“Holdings II Units”**) and, together with the related Class P Units (or Class A Units upon automatic conversion, as applicable), **“Restricted Units”**, to the Grantee; and (iii) KKR & Co. Inc. (the **“Corporation”**) hereby grants an equal number of stock exchange rights (**“SERs”**) and, together with the related Restricted Units, the **“Restricted Holdings Units”** or **“RHUs”**) to the Grantee. The RHUs are subject to all of the terms and conditions set forth herein, and in the Limited Partnership Agreement of KKR Group Partnership, the Limited Partnership Agreement of Holdings II and the Restricted Holdings Unit Agreement, as applicable. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Restricted Holdings Unit Agreement (including Appendix A to the Restricted Holdings Unit Agreement) and the Plan.

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Grantee:</b>          | <b>Participant Name</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Grant Date:</b>       | <b>Grant Date</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Number of RHUs:</b>   | <b>Number of Units Granted</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Vesting Schedule:</b> | The following sets forth each applicable Service Vesting Date upon which the applicable percentage of Restricted Units granted hereunder shall become vested, subject to the Grantee’s continued Employment through each such date and other terms and conditions contained in the attached Restricted Holdings Unit Agreement. Except as provided in the attached Restricted Stock Unit Agreement, upon the termination of Employment of Grantee any Restricted Unit that has not vested shall immediately be forfeited as of such date. |

|                                                                                                    |                                                                           |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| <b>Percentage of Vesting:</b>                                                                      | <b>Applicable Service Vesting Date:</b>                                   |
| Post-Vesting Transfer Restrictions under Section 3.3 of the Restricted Holdings Unit Agreement:    | <input type="checkbox"/> Applicable <input type="checkbox"/> Inapplicable |
| Minimum Retained Ownership Percentage under Section 3.4 of the Restricted Holdings Unit Agreement: | <input type="checkbox"/> Applicable <input type="checkbox"/> Inapplicable |
|                                                                                                    | Minimum Retained Ownership Percentage if applicable: [ ] %                |

\* \* \*

THE UNDERSIGNED GRANTEE ACKNOWLEDGES RECEIPT OF THIS RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE, THE RESTRICTED HOLDINGS UNIT AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF RESTRICTED HOLDINGS UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS RESTRICTED HOLDINGS UNIT GRANT CERTIFICATE, THE RESTRICTED HOLDINGS UNIT AGREEMENT AND THE PLAN.

|                                                                                 |                        |
|---------------------------------------------------------------------------------|------------------------|
| KKR GROUP PARTNERSHIP L.P.,<br>by KKR Group Holdings Corp., its general partner | GRANTEE                |
| By: _____                                                                       | Electronic Signature   |
|                                                                                 | Name: Participant Name |



Title:

KKR HOLDINGS II L.P.,  
by KKR Group Holdings Corp., its general partner

By:

Title:

KKR & CO. INC.

By:

Title:

Grant Acceptance Date: Grant Acceptance Date

## RESTRICTED HOLDINGS UNIT AGREEMENT

### UNDER THE AMENDED AND RESTATED KKR & CO. INC. 2019 EQUITY INCENTIVE PLAN (EXECUTIVE - SERVICE VESTING)

Pursuant to the Restricted Holdings Unit Grant Certificate (the “**RHU Grant Certificate**”) delivered to the Grantee (as defined in the RHU Grant Certificate), and subject to the terms of this Restricted Holdings Unit Agreement (this “**Agreement**”), the Limited Partnership Agreement of KKR Group Partnership (as defined below), the Limited Partnership Agreement of Holdings II (as defined below) and the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (as amended from time to time, the “**Plan**”), KKR & Co. Inc. (the “**Corporation**”), KKR Holdings II L.P. (“**Holdings II**”), KKR Group Partnership L.P. (“**KKR Group Partnership**”) and the Grantee agree as follows. The RHU Grant Certificate is incorporated into and deemed a part of this Agreement.

This Agreement sets forth the terms and conditions of one or more tandem awards of (i) unvested profits interests in KKR Group Partnership, pursuant to the Limited Partnership Agreement of KKR Group Partnership, in the form of KKR Group Partnership Class P units (“**Class P Units**”), (ii) unvested profits interests in Holdings II, pursuant to the Limited Partnership Agreement of Holdings II, in the form of Holdings II Class A units (“**Holdings II Units**”) and, together with the related Class P Units (or Class A Units upon automatic conversion, as applicable), “**Restricted Units**”) and (iii) stock exchange rights (“**SERs**”) issued by the Corporation pursuant to the Plan. Each tandem award of Class P Units, Holdings II Units and SERs is herein referred to as a “**Restricted Holdings Unit**” or an “**RHU**.” The Limited Partnership Agreement of KKR Group Partnership and the Limited Partnership Agreement of Holdings II are herein referred to as the “**Operating Agreements**.” Capitalized terms not otherwise defined herein or in Appendix A (attached hereto) shall have the meaning set forth in the Plan.

## ARTICLE I

### GRANT OF RESTRICTED HOLDINGS UNITS

#### Section 1.1. Grant of Restricted Holdings Units.

Subject to the terms and conditions set forth herein and in the Operating Agreements and the Plan, (i) KKR Group Partnership hereby grants to Holdings II the number of Class P Units set forth in the RHU Grant Certificate, (ii) Holdings II hereby grants to the Grantee the number of Holdings II Units set forth in the RHU Grant Certificate and (iii) the Corporation hereby grants to the Grantee the number of SERs set forth in the RHU Grant Certificate. The grant of RHUs hereunder is conditioned upon the Grantee's (a) execution of a supplement to the Limited Partnership Agreement of Holdings II, attached hereto as Appendix C and (b) agreement to and compliance with the provisions of the confidentiality and restrictive covenant agreement, attached hereto as Appendix D (the “**Confidentiality and Restrictive Covenant Agreement**”) and incorporated herein by reference. The “**Grant Acceptance Date**” is the date on which the Grantee accepted the grant of RHUs and concurrently agreed to become bound by the terms of the RHU Grant Certificate, this Agreement and the Plan, as designated on the signature page(s) hereto.

## ARTICLE II

### VESTING AND EXCHANGE OF RESTRICTED HOLDINGS UNITS

#### Section 2.1. Vesting of Restricted Units.

- (a) Subject to the terms and conditions contained herein and in the Operating Agreements, the Restricted Units shall vest as provided in the RHU Grant Certificate and this Section 2.1.
- (i) Subject to the Grantee's continued Employment through the Service Vesting Date(s) as specified in the RHU Grant Certificate, the Restricted Units shall become vested on such date(s) as to the percentage(s) set forth in the RHU Grant Certificate.
- (ii) If, prior to the date the Restricted Units are vested or such Restricted Units otherwise terminate and are forfeited: (A) the Grantee's Employment terminates due to the Grantee's Retirement, then all Retirement Restricted Units shall be vested; (B) the Grantee dies or experiences a Disability, then all unvested Restricted Units shall be vested; and (C) a Change in Control occurs prior to any termination of the Grantee's Employment, then all

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or any portion of any unvested Restricted Units may be vested, subject, in each case of clause (A), (B) or (C), to the discretion of the Administrator. Notwithstanding the foregoing, if the Corporation receives an opinion of counsel that there has been a legal judgment or legal development in the Grantee's jurisdiction that would likely result in the favorable treatment applicable to the Retirement Restricted Units pursuant to this Section 2.1(a)(ii) being deemed unlawful or discriminatory, then the Corporation will not apply the favorable treatment at the time the Grantee's Employment terminates due to the Grantee's Retirement under clause (A) above, and the Restricted Units will be treated as set forth in Section 2.1(a)(i), 2.1(b), 2.1(c) or the other provisions of this Section 2.1(a)(ii), as applicable.



- (b) If the Grantee's Employment terminates prior to an applicable Service Vesting Date for any reason other than due to the Grantee's death, Disability or Retirement, all then unvested Restricted Units and all corresponding SERs shall immediately terminate and be forfeited without consideration, and no exchange of such unvested Restricted Units for shares of Common Stock pursuant to Section 2.2 shall occur.
- (c) Unless otherwise agreed in writing between the Grantee and the Corporation or as otherwise determined by the Administrator at the time of grant or otherwise, the right to vest in the Restricted Units, if any, will terminate effective as of the date that the Grantee is no longer actively providing services (even if still considered employed or engaged under local Law) and will not be extended by any notice period mandated under local Law (e.g., active Employment would not include a period of "garden leave" or similar period pursuant to local Law) (a "Service Termination"), and all unvested Restricted Units and corresponding SERs shall immediately be forfeited upon such date.
- (d) Once a Class P Unit is vested and becomes an Equitized Class P Series Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership), it shall be automatically converted into a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership.
- (e) Notwithstanding anything herein to the contrary, any Restricted Units that vest prior to the applicable Service Vesting Date pursuant to Sections 2.1(a)(ii)(A) or (B) hereof shall be deemed to be unvested Restricted Units, and shall not be "vested" or "vest", until the applicable Service Vesting Date for all other purposes under this Agreement and applicable organizational documents (including the Operating Agreements).

## **Section 2.2. Exercise of SERs and Exchange of Restricted Units.**

- (a) To the extent that a Holdings II Unit becomes vested and the related Class P Unit has become a vested and Equitized Class P Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership) and automatically converted to a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership (subject to Section 2.1(e)), the Grantee may elect to exercise the corresponding SER to (i) receive from Holdings II a Class A Unit underlying the Holdings II Unit in connection with the redemption thereof, and (ii) exchange such Class A Unit for a share of Common Stock, in each case, on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications (the "Exchange"). Restricted Units may be Exchanged on a quarterly basis, pursuant to the exchange procedures comparable to those set forth in the Exchange Agreement as established by the KKR Group from time to time. The Administrator shall have the sole discretion to impose policies and procedures for any Exchange and any sale of shares of Common Stock received by the Grantee in the Exchange. The date on which any Restricted Unit is to be Exchanged hereunder is referred to as an "Exchange Date."
- (b) On any Exchange Date, each vested Holdings II Unit subject to the Exchange shall be cancelled and each related Class A Unit shall be transferred to the Corporation or its designated subsidiary in exchange for the Corporation delivering, or causing to be delivered by the Designated Service Recipient, to the Grantee either (i) the number of shares of Common Stock equal to the number of

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Restricted Units that are subject to the Exchange on such Exchange Date pursuant to Section 2.2(a), subject to customary conversion rate adjustments for splits, unit distributions and reclassifications or (ii) an amount of cash, denominated in U.S. dollars, equal to the Fair Market Value of the foregoing number of shares of Common Stock (a "Cash Payment"). The Administrator may elect in its sole discretion whether to Exchange the Restricted Units for shares of Common Stock or for a Cash Payment. The delivery of shares of Common Stock or Cash Payment to the Grantee shall be made as soon as administratively practicable on or following the applicable Exchange Date (or next permissible trading window of Common Stock). Any of the foregoing payments or deliveries shall in all instances be subject to Sections 4.4 and 4.6.

- (c) Subject to the provisions of this Article II relating to the number of shares of Common Stock that are to be delivered or Cash Payment that is to be paid on any applicable delivery date and solely to the extent permitted under Section 409A, if applicable, the Corporation may impose such other conditions and procedures in relation to such delivery or payment as it may reasonably determine, including with respect to the Exchange.
- (d) To the extent (i) the Grantee's Employment terminates or the Grantee undergoes a Service Termination, in either case, for any reason, and (ii) any Holdings II Unit becomes, or has become, vested and the related Class P Unit becomes, or has become, a vested and Equitized Class P Series Unit (as defined in the Limited Partnership Agreement of KKR Group Partnership) and automatically converted to a Class A Unit pursuant to the terms of the Limited Partnership Agreement of KKR Group Partnership (subject to Section 2.1(e)), the Administrator may, in its sole discretion, elect to exercise the corresponding SER and force an Exchange without any action on the part of the Grantee or the Grantee's consent (a "Forced Exchange"). In the event of a Forced Exchange, each vested Holdings II Unit subject to the Exchange shall be cancelled and each related Class A Unit shall be transferred to the Corporation or its designated subsidiary in exchange for the Corporation delivering, or causing to be delivered by the Designated Service Recipient, to the Grantee either (A) the number of shares of Common Stock equal to the number of Restricted Units that are subject to the Exchange on such Exchange Date pursuant to this Section 2.2(d), subject to customary conversion rate adjustments for splits, unit distributions and reclassifications or (B) a Cash Payment, as determined by the Administrator, in its sole discretion. The delivery of shares of Common Stock or Cash Payment to the Grantee shall be made as soon as administratively practicable on or following the applicable Exchange Date (or next permissible trading window of Common Stock). Any of the foregoing payments or deliveries shall in all instances be subject to Sections 4.4 and 4.6.

**Section 2.3. Dividend and Distribution Payments.** The RHUs granted to the Grantee hereunder do not include the right to receive any dividend payments with respect to the Common Stock. Any Distribution paid by KKR Group Partnership to Holdings II with respect to Class A Units held by Holdings II shall be allocated and payable by Holdings II to the Grantee of the Restricted Units corresponding to such Class A Units as provided in the Operating Agreements (subject to Section 2.1(e)).

## **ARTICLE III**

### **RESTRICTIONS ON TRANSFERS AND OTHER LIMITATIONS**

#### **Section 3.1. Transfer Restrictions on Holdings II Units and Stock Exchange Rights.**

- (a) The Grantee may not Transfer all or any portion of the Grantee's Holdings II Units or SERs to any Person (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator.
- (b) Prior to a Transfer of any Holdings II Units or SERs to any Person that the Administrator consents to, such Person must consent in writing to be bound by this Agreement and deliver such consent to the Administrator.

- (c) Any purported Transfer of Holdings II Units or SERs that is not in accordance with this Section 3.1 or which would cause Holdings II or the KKR Group Partnership to be treated as a "publicly traded partnership", as defined in Section 7704 of the U.S. Internal Revenue Code of 1986, as amended, is null and void.
- (d) Transfers of Holdings II Units shall be subject to further conditions and/or restrictions, if any, set forth in the Limited Partnership Agreement of Holdings II.

**Section 3.2. Confidentiality and Restrictive Covenant Agreement.** The Grantee acknowledges and agrees that the Grantee is bound by and will comply with the Confidentiality and Restrictive Covenant Agreement contained in Appendix D and any other similar agreements that the Grantee has entered into with the Designated Service Recipient, the Corporation, KKR Associates Holdings L.P., or any other member of the KKR Group, as applicable, as such agreements may be amended from time to time. If the Grantee is a limited partner of KKR Associates Holdings L.P., the Grantee further acknowledges and agrees that references to a Confidentiality and Restrictive Covenant Agreement in the limited partnership agreements of KKR Associates Holdings L.P. shall be deemed to include the Confidentiality and Restrictive Covenant Agreement contained in Appendix D hereto.

**Section 3.3. Post-Vesting Transfer Restrictions.**

The provisions of this Section 3.3 and any references to a Transfer-Restricted Unit shall not be applicable to the Holdings II Units or SERs granted to the Grantee hereunder if so indicated on the RHU Grant Certificate.

- (a) The Grantee may not Transfer or Exchange all or any portion of the Grantee's Transfer-Restricted Units (as defined below) (including to any Permitted Transferee) without the prior written consent of the Administrator, which consent may be given or withheld, or made subject to such conditions (including the receipt of such legal or tax opinions and other documents that the Corporation may require) as determined by the Administrator. Any permitted Transfer pursuant to this Section 3.3(a) shall be made in accordance with Section 3.1. No Class A Unit or Class P Unit corresponding to a Transfer-Restricted Unit may be exchanged for a share of Common Stock pursuant to the Exchange.
- (b) A "Transfer-Restricted Unit" refers to all Holdings II Units and corresponding SERs held by the Grantee until (i) the first anniversary of the applicable Service Vesting Date (or date of the Change in Control in the event of vesting in accordance with Section 2.1(a)(ii)(C)), in the case of 50% of such Holdings II Units and corresponding SERs and (ii) the second anniversary of such Service Vesting Date (or date of the Change in Control in the event of vesting in accordance with Section 2.1(a)(ii)(C)), in the case of the remaining 50% of such Holdings II Units and corresponding SERs; *provided that* if the Grantee has given or been given notice of termination of Grantee's Employment, then the Administrator, in its sole discretion, may direct that any Holdings II Units and corresponding SERs that is then Transfer-Restricted Units shall continue to be Transfer Restricted Units until the expiration of the later to occur of the Non-Compete Period (as defined in Appendix D) or the Non-Solicit Period (as defined in Appendix D) applicable to the Grantee, unless an earlier date is selected by the Administrator, in its sole discretion.
- (c) If the Grantee breaches in any significant or intentional manner, as determined by the Administrator in its sole discretion, any of the Grantee's covenants in Appendix D, the Administrator, in its sole discretion, may direct that the Grantee forfeit all or a portion of the Transfer-Restricted Units held by the Grantee, in which case all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II shall also be forfeited. If (x) the Grantee gives notice of termination of the Grantee's Employment for any reason during the period of time beginning on the Grant Date and ending on the one year anniversary of the Grant Date and (y) the Co-Chief Executive Officers and the Co-Executive Chairmen, as applicable, of the Corporation determine, acting in their sole discretion and by majority vote, that the Corporation would not have granted RHUs to the Grantee had the Corporation known that the Grantee's Employment would terminate in such manner, the Administrator in its sole discretion may direct that the Grantee forfeit all or a portion of the Transfer-Restricted Units that are held by the Grantee pursuant to this Agreement (but not other grant

agreements) in respect of any Restricted Units that are immediately vested as of the Grant Date, in which case all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II shall also be forfeited. If the Grantee's Employment is terminated for Cause, as determined by the Administrator in its sole discretion, all Transfer-Restricted Units held by the Grantee shall automatically be forfeited together with all related Class P Units (or Class A Units upon automatic conversion) held by Holdings II, unless otherwise determined by the Administrator, in its sole discretion. The Grantee hereby consents and agrees to immediately surrender and deliver such Transfer-Restricted Units to the Corporation, or its designee, without the payment of any consideration, receipt of any further notice or fulfillment of any other condition. Any forfeiture of Transfer-Restricted Units pursuant to this Section 3.3(c) shall require no additional procedures on the part of the Corporation, Holdings II, KKR Group Partnership or any of their Affiliates.

- (d) Any purported Transfer or Exchange of Transfer-Restricted Units that is not in accordance with this Section 3.3 is null and void. In the event of a property settlement or separation agreement between the Grantee and his or her spouse, the Grantee agrees that he or she shall use reasonable efforts to retain all of his or her Holdings II Units and SERs and shall reimburse his or her spouse for any interest he or she may have under this Agreement out of funds, assets or proceeds separate and distinct from his or her interest under this Agreement.

**Section 3.4. Minimum Retained Ownership Requirement.**

The provisions of this Section 3.4 shall not be applicable to the Holdings II Units or SERs granted to the Grantee hereunder if so indicated on the RHU Grant Certificate.

- (a) For so long as the Grantee retains his or her Employment, the Grantee (collectively with all Permitted Transferees, if applicable) must continuously hold an aggregate number of Common Stock Equivalents (defined below) that is at least equal to the Minimum Retained Ownership Percentage of the cumulative amount of (x) all Holdings II Units granted to the Grantee under this Agreement and (y) all other Holdings II Units subject to a minimum retained ownership requirement that have been or are hereafter granted to the Grantee under the Operating Agreements and the Plan, in each case, that have become vested pursuant to Section 2 (or similar provision in any other applicable grant agreement), prior to any Exchange permitted by Section 2.2 (or similar provision in any other applicable grant agreement).

- (b) "Common Stock Equivalents" means any combination of: (i) Holdings II Units that are or become vested pursuant to Section 2 of this Agreement (even if they are Transfer-Restricted Units) but not exchanged and shares of Common Stock delivered upon Exchange of such Holdings II Units and not designated for sale and (ii) Holdings II Units subject to a minimum retained ownership requirement granted to the Grantee under the Operating Agreements and the Plan that are or become vested pursuant to a provision similar to Section 2 to this Agreement (even if a provision similar to the transfer restrictions on the Transfer-Restricted Units has not yet been satisfied) but not exchanged and shares of Common Stock delivered upon Exchange of such Holdings II Units and not designated for sale.
- (c) Any purported Transfer or Exchange of any Holdings II Units or Common Stock that would result in a violation of this Section 3.4 is null and void. Notwithstanding anything to the contrary contained in this Agreement (including, without limitation, Section 4.8) this Section 3.4 shall survive any termination of this Agreement.

**Section 3.5. Waiver of Restrictions.** The Administrator may, from time to time, waive the provisions of Section 3.3 or Section 3.4 of this Agreement, subject to the imposition of any conditions or further requirements, as determined by the Administrator in its sole discretion. Without limiting the foregoing, to the extent the Administrator waives the application of Section 3.3 or Section 3.4, (i) equivalent restrictions on the Grantee's other equity, if any, held in the Corporation or any of its respective Affiliates (or any of their respective equity incentive plans) may be imposed and (ii) the Grantee hereby consents in advance to the imposition of such equivalent restrictions for purposes of the

governing documents of Grantee's other equity, if any, held in the Corporation or any of its respective Affiliates (or any of their respective equity incentive plans).

#### ARTICLE IV MISCELLANEOUS

**Section 4.1. Governing Law.** This Agreement and RHU Grant Certificate shall be governed by, and construed in accordance with, the laws of the State of New York, United States of America, without giving effect to any otherwise governing principles of conflicts of law that would apply the Laws of another jurisdiction.

**Section 4.2. Operating Agreements and Plan.** In the event of a conflict or inconsistency between the terms and provisions of the Operating Agreements or the Plan and the provisions of this Agreement, the Operating Agreements or the Plan, as applicable, shall govern and control.

**Section 4.3. Arbitration.** EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE U.S. FEDERAL AND STATE COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 4.3, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by arbitration conducted by a single arbitrator in New York, New York in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution. The arbitrator shall be a lawyer with substantial experience in the alternative asset management industry. The parties shall first confer in good faith in an attempt to agree upon a mutually acceptable arbitrator with the qualifications specified in this Section 4.3. If the parties to the dispute fail to agree on the selection of an arbitrator within 30 days of the receipt of the request for arbitration, the arbitrator shall be selected in accordance with the CPR Administered Employment Arbitration Rules of the International Institute for Conflict Prevention & Resolution, provided that the selected arbitrator shall have the qualifications specified in this Section 4.3. The arbitrator shall conduct the proceedings in the English language. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The arbitrators shall have the authority to award any remedy or relief that a court of competent jurisdiction could order or grant, including, without limitation, the issuance of an injunction. However, either party may, without inconsistency with this arbitration provision, bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling the other party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, or enforcing an arbitration award. The Grantee irrevocably appoints the Secretary or General Counsel of the Corporation as such Grantee's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Grantee of any such service of process, shall be deemed in every respect effective service of process upon the Grantee in any such action or proceeding. Except as necessary in court proceedings to enforce this arbitration provision or an award rendered hereunder, to obtain interim relief or as otherwise required by law, neither a party nor an arbitrator may disclose the content or results of any arbitration hereunder without the prior written consent of the Corporation and the Grantee, other than general statements.

**Section 4.4. Remedies; Recoupment; Right to Set-Off.**

- (a) The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law or under the terms of any other applicable agreement.
- (b) To the extent required or advisable, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules promulgated thereunder and any other similar Laws including, as applicable, but not limited to the European Directives 2011/61/EU, 2013/36/EU and 2014/91/EU, the Administrator may specify in any other document or a policy to be incorporated into this Agreement by reference, that the Grantee's rights, payments, and benefits with respect to RHUs

awarded hereunder and/or Common Stock delivered to the Grantee in respect of RHUs awarded hereunder shall be subject to reduction, cancellation, forfeiture or recoupment.

- (c) The Grantee further acknowledges and agrees that KKR Group shall have the right to clawback, forfeit, cancel, recoup, reduce or set-off any distribution or payment that is due or payable (or that the Administrator reasonably determines may become due or payable) to the Grantee pursuant to any agreement with the KKR Group (including but not limited to partnership agreements of KKR Holdings II L.P. and KKR Associates Holdings L.P.) or otherwise for the purpose of fulfilling any present or future obligation or liability of whatever nature (whether matured or unmatured, absolute or contingent) that the Grantee has to make (or that the Administrator reasonably determines may become such an obligation or liability to make) any payment or contribution to the KKR Group, regardless of whether the payment or contribution is currently due or payable, or may become due or payable in the future, whether in advance of or without adjudication (provided that the Administrator must act in good faith when determining any contribution or payment that may become due or payable as a result of damage to the KKR Group arising from a breach by Grantee of any of Grantee's written agreements with the KKR Group or other wrongdoing), and notwithstanding any other agreements between the Grantee and the KKR Group entered into prior to the date hereof.

#### Section 4.5. Amendments and Waivers.

- (a) This Agreement (including the RHU Grant Certificate and Appendices A through E attached hereto, as applicable) may be amended, supplemented, waived or modified only in accordance with Section 4(b) of the Plan or Section 13 of the Plan, as applicable, or as may be required for purposes of compliance or enforceability with applicable local Law; *provided, however*, that the RHU Grant Certificate shall be deemed amended from time to time to reflect any adjustments provided for in the Operating Agreements or the Plan.
- (b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

#### Section 4.6. Withholding.

(a) The provisions of Section 4(d) of the Plan are incorporated herein by reference and made a part hereof. Regardless of any action the Corporation or the Designated Service Recipient takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("**Tax-Related Items**"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and may exceed the amount, if any, actually withheld by the Corporation or the Designated Service Recipient. The Grantee further acknowledges that the Corporation and/or the Designated Service Recipient (1) make no representations or undertakings regarding the treatment of any Tax-Related Items and (2) are under no obligation to structure the terms of the RHUs to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. The Corporation may refuse to issue or deliver Common Stock, the Cash Payment or the proceeds of the sale of Common Stock, if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items as set forth in this Section 4.6.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Grantee will pay or make adequate arrangements satisfactory to the Corporation and/or the Designated Service Recipient to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Corporation and/or the Designated Service Recipient to satisfy the obligations with regard to all Tax-Related Items, if any, by one or a combination of the following:

- (i) withholding from the Cash Payment, the Grantee's wages or other cash compensation paid to the Grantee by the Corporation and/or the Designated Service Recipient; or
- (ii) withholding from proceeds of the sale of Common Stock delivered upon the Exchange either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Grantee's behalf pursuant to this authorization); or
- (iii) withholding in Common Stock to be delivered upon the Exchange.

The Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in the Grantee's jurisdiction(s), in which case the Grantee may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Common Stock. If the obligation for Tax-Related Items is satisfied by withholding in Common Stock, the Grantee is deemed to have been issued the full number of shares of Common Stock subject to the Exchange, notwithstanding that a number of shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items. Finally, the Grantee shall pay to the Corporation or the Designated Service Recipient any amount of Tax-Related Items that the Corporation or the Designated Service Recipient may be required to withhold or account for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Grantee's liability for Tax-Related items, if any, will survive the Grantee's withdrawal from Holdings II or Transfer of any RHUs.

**Section 4.7. Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified):

- (a) **If to the Corporation, to:**  
KKR & Co. Inc.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: General Counsel and Secretary
- (b) **If to the KKR Group Partnership, to:**  
KKR Group Partnership L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: General Counsel and Secretary

(c) **If to Holdings II, to:**

KKR Holdings II L.P.  
30 Hudson Yards, Suite 7500  
New York, New York 10001  
U.S.A.  
Attention: General Counsel and Secretary

(d) **If to the Grantee, to the most recent address for the Grantee in the books and records of the Corporation or the Designated Service Recipient, as applicable.**

**Section 4.8. Entire Agreement; Termination of Agreement; Survival.**

- (a) This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, pertaining thereto. The Grantee acknowledges that the grant of RHUs provided for under this Agreement is in full satisfaction of any and all grants of equity or equity-based awards that

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representatives of the Corporation or its Affiliates, on or prior to the date hereof, may have informed the Grantee that such Grantee is entitled to receive.

- (b) This Agreement shall terminate when the Grantee and all Permitted Transferees cease to hold any of the RHUs that have been granted hereunder. Notwithstanding anything to the contrary herein, this Article IV shall survive any termination of this Agreement.

**Section 4.9. Severability.** If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

**Section 4.10. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

**Section 4.11. Appendices.** Appendices A, B, C, D and E constitute part of this Agreement. Notwithstanding the provisions of this Article IV, the provisions of Sections 9 through 18 (inclusive) of Appendix D shall govern solely with respect to, and shall be applicable only to the interpretation, administration and enforcement of the provisions of Appendix D, but not to any other provisions of this Agreement or any other Appendix.

**Section 4.12. Further Assurances.** The Grantee shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

**Section 4.13. Section 409A; Employment with Designated Service Recipient.**

- (a) This Section 4.13(a) applies to Grantees who are U.S. tax residents (such as, a U.S. citizen, green card holder or a U.S. tax resident under the substantial presence test) to the extent applicable. All references to any "separation from service" or termination of the Employment of or the services to be provided by the Grantee, shall be deemed to refer to a "separation from service" within the meaning of Section 409A, if applicable. Notwithstanding anything herein to the contrary, (i) if at the time of the Grantee's termination of Employment the Grantee is a "specified employee" as defined in Section 409A of the Code and the deferral of the commencement of any payments or delivery of Common Stock otherwise payable or provided hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A, then, to the extent that Section 409A applies to the RHUs, the Corporation will defer the commencement of the payment of any such payments or delivery hereunder (without any reduction in such payments or delivery of Common Stock ultimately paid or provided to the Grantee) until the date that is six months following the Grantee's termination of Employment (or the earliest date as is permitted under Section 409A) and (ii) if any other payments or other deliveries due to the Grantee hereunder could cause the application of an accelerated or additional tax under Section 409A, such payments or other deliveries shall be deferred if deferral will make such payment or other delivery compliant under Section 409A, or otherwise such payment or other delivery shall be restructured, to the extent possible, in a manner, determined by the Administrator, that does not cause such an accelerated or additional tax. The Corporation shall use commercially reasonable efforts to implement the provisions of this Section 4.13(a) in good faith; provided that none of the Corporation, the Administrator nor any of the Corporation's or KKR Group's, as applicable, employees, directors or representatives shall have any liability to the Grantee with respect to this Section 4.13(a).
- (b) Nothing in this Agreement shall be deemed to obligate the Corporation, Designated Service Recipient or any other member of the KKR Group, as applicable, to employ the Grantee in any capacity whatsoever or to prohibit or restrict the Corporation, Designated Service Recipient or any

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other member of the KKR Group, as applicable, from terminating the Grantee's Employment at any time or for any reason whatsoever, with or without Cause.

**Section 4.14. Counterparts.** This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

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IN WITNESS WHEREOF, the Corporation, KKR Group Partnership and Holdings II have executed this Agreement as of the date specified under the signature of the Grantee.

KKR & Co. Inc.

By:

Name:

Title:

KKR Group Partnership L.P.

By: KKR Group Holdings Corp.,

its general partner

By:

Name:

Title:

KKR Holdings II L.P.

By: KKR Group Holdings Corp.,

its general partner

By:

Name:

Title:

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IN WITNESS WHEREOF, the undersigned Grantee has caused this counterpart signature page to this Agreement to be duly executed as of the date specified under the signature of the Grantee.

“GRANTEE”

Electronic Signature

Name: Participant Name

Grant Acceptance Date: Grant Acceptance Date

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## APPENDIX A

### DEFINITIONS

In addition to the defined terms set forth in the Plan, the following terms shall have the following meanings for purposes of the Agreement:

“Cause” means, with respect to the Grantee, the occurrence or existence of any of the following as determined fairly on an informed basis and in good faith by the Administrator: (i) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct by the Grantee against any member of the KKR Group (including the Corporation) or a Portfolio Company (as defined below), (ii) a Regulatory Violation that has a material adverse effect on (x) the business of any member of the KKR Group or (y) the ability of the Grantee to function as an employee, associate or in any similar capacity (including consultant) with respect to the KKR Group, taking into account the services required of the Grantee and the nature of the business of the KKR Group, or (iii) a material breach by the Grantee of a material provision of any Written Policies & Agreements or the deliberate failure by the Grantee to perform the Grantee’s duties to the KKR Group, provided that in the case of this clause (iii), the Grantee has been given written notice of such breach or failure within 45 days of the KKR Group becoming aware of such breach or failure and, where such breach or failure is curable, the Grantee has failed to cure such breach or failure within (A) 15 days of receiving notice thereof or (B) such longer period of time, not to exceed 30 days, as may be reasonably necessary to cure such breach or failure provided that the Grantee is then working diligently to cure such breach or failure; and provided further, that if such breach or failure is not capable of being cured, the notice given to the Grantee may contain a date of termination that is earlier than 15 days after the date of such notice.

“Class A Units” means the Class A Units of KKR Group Partnership under the Limited Partnership Agreement of KKR Group Partnership.

“Designated Service Recipient” means any member of the KKR Group that employs the Grantee or with which the Grantee is similarly associated.

“Disability” means, as to any Person, such Person’s inability to perform in all material respects such Person’s duties and responsibilities to the KKR Group by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the Administrator may reasonably determine in its sole discretion.

“Employment” means the Grantee’s employment (including any similar association determined by the Administrator to constitute employment for purposes of this Agreement) with the Designated Service Recipient or any other member of the KKR Group.

“Exchange Agreement” means the Third Amended and Restated Exchange Agreement, dated as of January 1, 2020, among KKR Group Partnership, KKR Holdings L.P., the Corporation, and KKR Group Holdings Corp.

“Group Partnership” means KKR Group Partnership, along with its successor and any other legal entity designated in the future as a “Group Partnership” by the Corporation.

“KKR Group” means (i) the Corporation and KKR Management LLP (and its successors), (ii) any direct or indirect subsidiaries of the Corporation, including but not limited to the Group Partnership and its direct and indirect subsidiaries (not including Portfolio Companies), (iii) KKR Associates Holdings L.P. and KKR

Associates Reserve L.P., their respective general partners, and the direct or indirect subsidiaries of KKR Associates Holdings L.P. and KKR Associates Reserve L.P., respectively, and (iv) any investment fund, account or vehicle that is managed, advised or sponsored by any member of the KKR Group (the “Funds”).

“Law” means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Corporation or any Grantee, as the case may be.

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“Limited Partnership Agreement of Holdings II” means the Limited Partnership Agreement of Holdings II, dated as of January 1, 2020, as amended from time to time.

“Limited Partnership Agreement of KKR Group Partnership” means the Third Amended and Restated Limited Partnership Agreement of KKR Group Partnership, dated as of January 1, 2020, as amended from time to time.

“Minimum Retained Ownership Percentage” means the percentage set forth on the RHU Grant Certificate.

“Permitted Transferee” means (A) any person who is a “family member” of the Grantee, as such term is used in the instructions to Form S-8 under the Securities Act of 1933, as amended, or any successor form of registration statement promulgated by the Securities and Exchange Commission (collectively, the “Immediate Family Members”); (B) a trust solely for the benefit of the Grantee and his or her Immediate Family Members; (C) a partnership or limited liability company whose only partners or stockholders are the Grantee and his or her Immediate Family Members; (D) a beneficiary to whom donations are eligible to be treated as “charitable contributions” for federal income tax purposes; or (E) any other Person the Administrator consents to.

“Person” means any individual, corporation, partnership, limited liability company, trust, joint stock company, business trust, unincorporated association, joint venture, governmental authority or other entity of any nature whatsoever.

“Portfolio Company” means any portfolio companies, joint ventures or affiliated investments that are held as such by the KKR Group.

“Regulatory Violation” means, with respect to the Grantee (i) a conviction of the Grantee based on a trial or by an accepted plea of guilt or *nolo contendere* of any felony or misdemeanor crime involving moral turpitude, false statements, misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery, (ii) a final determination by any court of competent jurisdiction or governmental regulatory body (or an admission by the Grantee in any settlement agreement) that the Grantee has violated any U.S. federal or state or comparable non-U.S. securities laws, rules or regulations or (iii) a final determination by self-regulatory organization having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations (or an admission by the Grantee in any settlement agreement) that the Grantee has violated the written rules of such self-regulatory organization that are applicable to any member of the KKR Group.

“Retirement” means the resignation by the Grantee of the Grantee’s Employment with the KKR Group (other than for Cause), on or after the date that the Grantee’s age, plus the Grantee’s years of Employment with the KKR Group, equals at least 80.

“Retirement Restricted Units” means, with respect to any Grantee whose Employment terminates due to Retirement, any Class P Units and Holdings II Units with a Service Vesting Date that would, if the Grantee’s Employment were not so terminated, occur within two years after the date of such termination due to Retirement.

“RHU Grant Certificate” means the RHU Grant Certificate delivered to the Grantee and attached to this Agreement, as the same may be modified pursuant to Section 4.5(a) of the Agreement.

“Section 409A” means Section 409A of the U.S. Internal Revenue Code of 1986, as the same may be amended from time to time, and the applicable regulations, including temporary regulations, promulgated under such Section, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

“Service Vesting Date” means, with respect to any Restricted Unit, any date set forth in the RHU Grant Certificate as a “Service Vesting Date.”

“Transfer” or “Transferred” means with respect to any RHUs or Common Stock, as applicable, any (i) sale, assignment, transfer or other disposition thereof or any interests therein or rights attached thereto, whether voluntarily or by operation of Law, including but not limited to an Exchange, or (ii) creation or placement of any mortgage, claim,

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lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

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“Written Policies & Agreements” means the written policies of the KKR Group included in its employee manual, code of ethics and confidential information and information barrier policies and procedures and other documents relating to the Grantee’s Employment with the KKR Group, as applicable, and any agreements between the Grantee and a member of the KKR Group relating to the Grantee’s Employment with the KKR Group, including but not limited to an employment agreement, if any, and the Confidentiality and Restrictive Covenant Agreement.



## Exhibit 21.1

The following is a list of the subsidiaries of KKR & Co. Inc. as of **December 31, 2022** **January 2, 2024**.

## Subsidiaries of the Registrant

| Name                                           | Jurisdiction    |
|------------------------------------------------|-----------------|
| 2023 Bear Holdings LLC                         | Delaware        |
| 76KK                                           | Japan           |
| 8 Sigma Capital Holdings Pte. Ltd.             | Singapore       |
| 9W Halo Parent LLC                             | Delaware        |
| Accordia Life and Annuity Company              | Iowa            |
| Aerosmith Holdings LLC                         | Delaware        |
| Alamo GP LLC                                   | Delaware        |
| Allstar Co-Invest GP LLC                       | Delaware        |
| ASF Walter Co-Invest GP Limited                | Cayman Islands  |
| Aster Asia Holdings I Pte. Ltd.                | Singapore       |
| Aster Asia Holdings II Pte. Ltd.               | Singapore       |
| Avoca Capital Jersey Unlimited                 | Jersey          |
| Avoca Capital Property Unlimited Company       | Ireland         |
| Avoca Capital Unlimited Company                | Ireland         |
| Avoca Securities Investments Unlimited Company | Ireland         |
| Banff Debt Aggregator A GP LLC                 | Delaware        |
| Bobcat Funded 2021-A Holdings LLC              | Delaware        |
| Bobcat Funded 2021-A Investors L.P.            | Ontario         |
| Brunswick Asset Holdings (Overseas) LLC        | Delaware        |
| Brunswick Asset Holdings LLC                   | Delaware        |
| Bulldog Investment Holdings GP LLC             | Delaware        |
| Bulldog Investment Holdings L.P.               | Delaware        |
| Cape Verity I, Inc.                            | Iowa            |
| Cape Verity III, Inc.                          | Iowa            |
| Capstone Europe Limited                        | England & Wales |
| Capstone Limited                               | Jersey          |
| Capstone Purchasing LLC                        | Delaware        |
| Cavalry Feeder GP LLC                          | Delaware        |
| Clover Debt Aggregator A GP LLC                | Delaware        |
| Colt Admiral A Holding GP LLC                  | Delaware        |
| Colt Admiral A Holding L.P.                    | Delaware        |
| Commonwealth Annuity & Life Insurance Company  | Massachusetts   |
| CPS (US) LLC                                   | Delaware        |
| CPS Associates (US) L.P.                       | Delaware        |
| CPS Associates L.P.                            | Cayman Islands  |
| CPS GP Limited                                 | Cayman Islands  |
| CPS (Lux) S.à r.l.                             | Luxembourg      |
| CPS Associates (Lux) SCSp                      | Luxembourg      |
| DBE Solar Holdco LLC                           | Delaware        |
| Dorms Asia Real Estate (GP) Pte. Ltd.          | Singapore       |
| Dorms Asia Real Estate LP                      | Singapore       |

| Name                                              | Jurisdiction     |
|---------------------------------------------------|------------------|
| <b>Dorms Asia Real Estate LP</b>                  | <b>Singapore</b> |
| Dorms Pte. Ltd.                                   | Singapore        |
| Echo Holdings GP Limited                          | Cayman Islands   |
| Electron IM Pte. Ltd.                             | Singapore        |
| Electron Pte. Ltd.                                | Singapore        |
| <b>Elephant Investment Holdings GP LLC</b>        | <b>Delaware</b>  |
| Emporium Holdco Inc.                              | Delaware         |
| Emporium TPO, LLC                                 | Delaware         |
| Energy Real Assets GP LLC                         | Delaware         |
| Energy Real Assets L.P.                           | Delaware         |
| eRESI Capital Holdco LLC                          | Delaware         |
| eRESI Capital LLC                                 | Delaware         |
| eRESI Holdings Inc.                               | Delaware         |
| eRESI Mortgage LLC                                | Delaware         |
| Esoteric I Pte. Ltd.                              | Singapore        |
| Europe VI Opportunistic Investors GP LLC          | Delaware         |
| EXL Solar HoldCo, LLC                             | Delaware         |
| Fan Co-Invest GP Limited                          | Cayman Islands   |
| Fan Investors GP Limited                          | Cayman Islands   |
| Fan Investors L.P.                                | Cayman Islands   |
| Fan Investors Limited                             | Cayman Islands   |
| First Allmerica Financial Life Insurance Company  | Massachusetts    |
| ForeLife Agency, Inc.                             | Indiana          |
| Forethought Life Insurance Company                | Indiana          |
| GA - Industrial Holdco LLC                        | Delaware         |
| GA - Sunbelt Office Holdco LLC                    | Delaware         |
| GA Re Bermuda HoldCo Limited                      | Bermuda          |
| GA Re US HoldCo, LP                               | Delaware         |
| GA Risk Advisors, Inc.                            | Delaware         |
| Gebirge Private Limited                           | India            |
| Global Atlantic (Fin) Company                     | Delaware         |
| Global Atlantic Assurance Limited                 | Bermuda          |
| Global Atlantic Distributors, LLC                 | Delaware         |
| Global Atlantic Equipment Management, LLC         | Delaware         |
| Global Atlantic Financial Company                 | Delaware         |
| Global Atlantic Financial Company Bermuda Limited | Bermuda          |
| Global Atlantic Financial Group Limited           | Bermuda          |
| Global Atlantic <b>Financial Limited</b>          | <b>Bermuda</b>   |
| <b>Global Atlantic</b> Insurance Network LLC      | Delaware         |
| Global Atlantic Investment Advisors, LLC          | Indiana          |
| <b>Global Atlantic Limited (Delaware)</b>         | <b>Delaware</b>  |
| Global Atlantic Re Limited                        | Bermuda          |
| Global Atlantic Risk Advisors, L.P.               | Delaware         |
| Global Vessel Solutions GP LLC                    | Delaware         |
| Gotham Issuer, LLC                                | Delaware         |
| Gotham Re, Inc.                                   | Vermont          |
| Helios Co-Invest GP Limited                       | Cayman Islands   |
| <b>Hoosier Asset Financing LLC</b>                | <b>Delaware</b>  |

| Name                                             | Jurisdiction    |
|--------------------------------------------------|-----------------|
| <b>Hoosier Asset Financing LLC</b>               | <b>Delaware</b> |
| Hoosier Asset Holdings LLC                       | Delaware        |
| HTSK Investment GP LLC                           | Delaware        |
| Husky Funded 2021-A Holdings LLC                 | Delaware        |
| Husky Funded 2021-A Investors L.P.               | Ontario         |
| Independence Energy Aggregator GP LLC            | Delaware        |
| Independence Energy Co-Invest GP LLC             | Delaware        |
| Independence Minerals GP LLC                     | Delaware        |
| Independence Minerals L.P.                       | Delaware        |
| Independence Upstream Holdings GP LLC            | Delaware        |
| Independence Upstream Holdings L.P.              | Delaware        |
| Indigrid Investment Managers Limited             | India           |
| Infinity Transportation Equipment Leasing, LLC   | Delaware        |
| Infrastructure IV Opportunistic Investors GP LLC | Delaware        |
| JA Investment GP LLC                             | Delaware        |
| <b>K-INFRA GP LLC</b>                            | <b>Delaware</b> |
| <b>K-INFRA</b> Holdings I LLC                    | Delaware        |
| K-INFRA Holdings II LLC                          | Delaware        |
| K-INFRA Kyoto Aggregator GP Limited              | Cayman Islands  |
| K-INFRA Pegasus Aggregator GP Limited            | Cayman Islands  |
| <b>K-PRIME GP LLC</b>                            | <b>Delaware</b> |
| <b>K-Star Asset Corp.</b>                        | <b>Delaware</b> |
| K-Star Asset Management <b>LLC</b>               | <b>Delaware</b> |
| <b>K-Star Holdings</b> LLC                       | Delaware        |
| KAM Advisors LLC                                 | Delaware        |
| KAM Credit Advisors LLC                          | Delaware        |
| KAM Fund Advisors LLC                            | Delaware        |
| Kappa Holdings Ltd.                              | Cayman Islands  |
| <b>KBP Investment GP LLC</b>                     | <b>Delaware</b> |
| <b>KBP Investment GP 2 LLC</b>                   | <b>Delaware</b> |
| <b>KBP Investment GP 3 LLC</b>                   | <b>Delaware</b> |
| Keats Infrastructure Partners GP LLC             | Delaware        |
| KFH III Holdings Ltd.                            | Cayman Islands  |
| KFN Bellemeade Feeder LLC                        | Delaware        |
| KFN Birch 2 Feeder LLC                           | Delaware        |
| KFN Broadway Feeder LLC                          | Delaware        |
| KFN BTS Feeder LLC                               | Delaware        |
| KFN Colonie Feeder LLC                           | Delaware        |
| KFN HG Hotel Feeder LLC                          | Delaware        |
| KFN Midland Feeder LLC                           | Delaware        |
| KFN Osprey Feeder LLC                            | Delaware        |
| KFN Pelican 1 Feeder LLC                         | Delaware        |
| KFN Rad Philly Feeder LLC                        | Delaware        |
| KFN Sullivan Feeder LLC                          | Delaware        |
| KFN WTC Oahu Feeder LLC                          | Delaware        |

| Name                                             | Jurisdiction   |
|--------------------------------------------------|----------------|
| KFN YTC Feeder LLC                               | Delaware       |
| Kicking Horse Investment Holdings GP LLC         | Delaware       |
| KIMM GP LLC                                      | Delaware       |
| KIOPL Management Solutions India Private Limited | India          |
| KJR Management                                   | Japan          |
| KKR & Co. GP LLC                                 | Delaware       |
| KKR & Co. L.L.C.                                 | Delaware       |
| KKR (Cayman) Limited                             | Cayman Islands |
| KKR 2006 AIV GP LLC                              | Delaware       |
| KKR 2006 AIV Limited                             | Cayman Islands |

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| Name                                                    | Jurisdiction   |
|---------------------------------------------------------|----------------|
| KKR 2006 GP (Energy II) LLC                             | Delaware       |
| KKR 2006 GP LLC                                         | Delaware       |
| KKR 2006 Limited                                        | Cayman Islands |
| KKR 8 NA Limited                                        | Cayman Islands |
| KKR Abadi Co-Investment Holdings Ltd.                   | Cayman Islands |
| KKR Abadi Co-Investments Limited                        | Cayman Islands |
| KKR ABFP Holding Limited                                | Cayman Islands |
| KKR ABFP II (EEA) S.à r.l.                              | Luxembourg     |
| KKR ABFP II LLC                                         | Delaware       |
| KKR ABFP S.à r.l.                                       | Luxembourg     |
| KKR Account Adviser (Mauritius), Ltd.                   | Mauritius      |
| KKR ACOF II S.à r.l.                                    | Luxembourg     |
| KKR Acquisition Holdings (International) I Corp.        | Cayman Islands |
| KKR Acquisition Holdings II Corp.                       | Delaware       |
| KKR Acquisition Holdings III Corp.                      | Delaware       |
| KKR Acquisition Sponsor (International) I LLC           | Cayman Islands |
| KKR Acquisition Sponsor II LLC                          | Delaware       |
| KKR Acquisition Sponsor III LLC                         | Delaware       |
| KKR AHI GP LLC                                          | Delaware       |
| KKR AHI Investors L.P.                                  | Delaware       |
| KKR Alda Co-Invest GP LLC                               | Delaware       |
| KKR Alps Corporate Holdings LLC                         | Delaware       |
| KKR Alps Fund Holdings SCSp                             | Luxembourg     |
| KKR Alps Holdings S.à r.l.                              | Luxembourg     |
| KKR Alps KKR Investors L.P.                             | Delaware       |
| KKR Alternative Assets L.P.                             | Delaware       |
| KKR Alternative Assets Limited                          | Cayman Islands |
| KKR Alternative Assets LLC                              | Delaware       |
| KKR Alternative Investment Management Unlimited Company | Ireland        |
| KKR Americas Fund XII (Credit) A GP LLC                 | Delaware       |
| KKR Americas Fund XII (Credit) B GP LLC                 | Delaware       |
| KKR Americas Fund XII (Credit) C GP LLC                 | Delaware       |
| KKR Americas XII AIV GP LLC                             | Delaware       |
| KKR Americas XII EEA Limited                            | Cayman Islands |
| KKR Americas XII EEA LLC                                | Delaware       |

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| Name                                              | Jurisdiction   |
|---------------------------------------------------|----------------|
| KKR Americas XII Limited                          | Cayman Islands |
| KKR AMG Co-Invest GP LLC                          | Delaware       |
| KKR Anchor Co-Invest GP LLC                       | Delaware       |
| KKR Anne Co-Invest GP LLC                         | Delaware       |
| KKR AP Infrastructure AIV GP LLC                  | Delaware       |
| KKR AP Infrastructure Holdings Limited            | Cayman Islands |
| KKR AP Infrastructure II (Japan) AIV (HK) Limited | Hong Kong      |
| KKR AP Infrastructure II (Japan) AIV GP LLC       | Delaware       |
| KKR AP Infrastructure II AIV GP LLC               | Delaware       |
| KKR AP Infrastructure II ESC SBS GP LLC           | Delaware       |
| KKR AP Infrastructure II Holdings LLC             | Delaware       |
| KKR AP Infrastructure II S.à r.l.                 | Luxembourg     |
| KKR AP Infrastructure S.à r.l.                    | Luxembourg     |
| KKR APP S.à r.l.                                  | Luxembourg     |
| KKR Apple Co-Invest GP LLC                        | Delaware       |
| KKR Aqueduct Co-Invest GP LLC                     | Delaware       |
| KKR Ardor Co-Invest GP LLC                        | Delaware       |
| KKR AREP II LLC                                   | Delaware       |
| KKR AREP II S.à r.l.                              | Luxembourg     |
| KKR Ark Holdings Pte. Ltd.                        | Singapore      |
| KKR Ascend Co-Invest GP Limited                   | Cayman Islands |

| Name                                           | Jurisdiction   |
|------------------------------------------------|----------------|
| KKR Ascendant AIV GP LLC                       | Delaware       |
| KKR Ascendant AIV Holdings LLC                 | Delaware       |
| KKR Ascendant Holdings LLC                     | Delaware       |
| KKR Ascendant S.à r.l.                         | Luxembourg     |
| KKR Ascent Co-Invest GP LLC                    | Delaware       |
| KKR ASF Walter PE Limited                      | Cayman Islands |
| KKR ASH (International) I LLC                  | Cayman Islands |
| KKR ASH I LLC                                  | Delaware       |
| KKR ASH II LLC                                 | Delaware       |
| KKR ASH III LLC                                | Delaware       |
| KKR Asia Climate LLC                           | Delaware       |
| KKR Asia Credit Opportunities Holdings Limited | Cayman Islands |
| KKR Asia Credit Opportunities S.à r.l.         | Luxembourg     |
| KKR Asia II Japan AIV Limited                  | Cayman Islands |
| KKR Asia II Limited                            | Cayman Islands |
| KKR Asia III Delaware AIV LLC                  | Delaware       |
| KKR Asia III Holdings Limited                  | Cayman Islands |
| KKR Asia III Japan AIV Limited                 | Hong Kong      |
| KKR Asia III S.à r.l.                          | Luxembourg     |
| KKR Asia IV Holdings Limited                   | Cayman Islands |
| KKR Asia IV Japan AIV (Delaware) LLC           | Delaware       |
| KKR Asia IV Japan AIV (HK) Limited             | Hong Kong      |
| KKR Asia IV Japan AIV Limited                  | Hong Kong      |
| KKR Asia IV Korea AIV LLC                      | Delaware       |

| Name                                                 | Jurisdiction    |
|------------------------------------------------------|-----------------|
| KKR Asia IV S.à r.l.                                 | Luxembourg      |
| KKR Asia Limited                                     | Hong Kong       |
| KKR Asia Limited                                     | Cayman Islands  |
| KKR Asia LLC                                         | Delaware        |
| KKR Asia Next Gen Tech Fund LLC                      | Delaware        |
| KKR Asia NGT ESC SBS GP LLC                          | Delaware        |
| KKR Asia NGT Korea AIV (Delaware) LLC                | Delaware        |
| KKR Asia NGT S.à r.l.                                | Luxembourg      |
| KKR Asia Property Partners Holdings LLC              | Delaware        |
| KKR Asia Tactical Credit Holdings LLC                | Delaware        |
| KKR Asia Tactical Credit S.à r.l.                    | Luxembourg      |
| KKR Asian Fund (Ireland) GP Limited                  | Ireland         |
| KKR Asset Management (International) Partners LLP    | Delaware        |
| KKR Asset Management Ltd                             | England & Wales |
| KKR Associates 2006 (Overseas) AIV L.P.              | Cayman Islands  |
| KKR Associates 2006 (Overseas), Limited Partnership  | Cayman Islands  |
| KKR Associates 2006 AIV L.P.                         | Delaware        |
| KKR Associates 2006 L.P.                             | Delaware        |
| KKR Associates 8 NA L.P.                             | Cayman Islands  |
| KKR Associates Abadi Co-Investments L.P.             | Cayman Islands  |
| KKR Associates ABFP SCSp                             | Luxembourg      |
| KKR Associates ABFP II (EEA) SCSp                    | Luxembourg      |
| KKR Associates ABFP II L.P.                          | Delaware        |
| KKR Associates ACOF II SCSp                          | Luxembourg      |
| KKR Associates Americas XII AIV L.P.                 | Delaware        |
| KKR Associates Americas XII L.P.                     | Cayman Islands  |
| KKR Associates AP Infrastructure AIV L.P.            | Delaware        |
| KKR Associates AP Infrastructure II (Japan) AIV L.P. | Ontario         |
| KKR Associates AP Infrastructure II AIV L.P.         | Delaware        |
| KKR Associates AP Infrastructure II SCSp             | Luxembourg      |
| KKR Associates AP Infrastructure SCSp                | Luxembourg      |
| KKR Associates AREP AIV (AUS) S.à r.l.               | Luxembourg      |

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#### KKR Associates AREP II AIV (AUS) S.à r.l.

| Name                                       | Jurisdiction   |
|--------------------------------------------|----------------|
| KKR Associates AREP II SCSp                | Luxembourg     |
| KKR Associates Ascendant AIV L.P.          | Delaware       |
| KKR Associates Ascendant SCSp              | Luxembourg     |
| KKR Associates ASF Walter PE L.P.          | Cayman Islands |
| KKR Associates Asia (Japan) L.P.           | Cayman Islands |
| KKR Associates Asia Climate L.P.           | Delaware       |
| KKR Associates Asia Climate Feeder Limited | Hong Kong      |
| KKR Associates Asia II Japan AIV L.P.      | Cayman Islands |
| KKR Associates Asia II L.P.                | Cayman Islands |
| KKR Associates Asia III Delaware AIV L.P.  | Delaware       |
| KKR Associates Asia III Japan AIV L.P.     | Cayman Islands |
| KKR Associates Asia III SCSp               | Luxembourg     |

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| Name                                                  | Jurisdiction   |
|-------------------------------------------------------|----------------|
| KKR Associates Asia IV Japan AIV L.P.                 | Ontario        |
| KKR Associates Asia IV Japan AIV 2 L.P.               | Ontario        |
| KKR Associates Asia IV Korea AIV L.P.                 | Ontario        |
| KKR Associates Asia IV SCSp                           | Luxembourg     |
| KKR Associates Asia Credit Opportunities SCSp         | Luxembourg     |
| KKR Associates Asia L.P.                              | Cayman Islands |
| KKR Associates Asia NGT Korea AIV L.P.                | Delaware       |
| KKR Associates Asia NGT SCSp                          | Luxembourg     |
| KKR Associates Asia Property Partners SCSp            | Luxembourg     |
| KKR Associates Asia Tactical Credit GP SCSp           | Luxembourg     |
| KKR Associates Cardinal Credit Opportunities GP L.P.  | Delaware       |
| KKR Associates Cardinal Credit Opportunities LLC      | Delaware       |
| KKR Associates CDP PE L.P.                            | Cayman Islands |
| KKR Associates China Growth L.P.                      | Cayman Islands |
| KKR Associates CIF II SCSp                            | Luxembourg     |
| KKR Associates CIP AIV L.P.                           | Delaware       |
| KKR Associates CIP SCSp                               | Luxembourg     |
| KKR Associates CIS Global L.P.                        | Cayman Islands |
| KKR Associates Concentrated Credit (Q) LLC            | Delaware       |
| KKR Associates Core International (A) SCSp            | Luxembourg     |
| KKR Associates CP SCSp                                | Luxembourg     |
| KKR Associates Credit Accelerator SCSp                | Luxembourg     |
| KKR Associates Credit SCSp                            | Luxembourg     |
| KKR Associates Credit Select L.P.                     | Cayman Islands |
| KKR Associates CS I L.P.                              | Cayman Islands |
| KKR Associates CS II L.P.                             | Cayman Islands |
| KKR Associates CS III L.P.                            | Cayman Islands |
| KKR Associates CS V L.P.                              | Delaware       |
| KKR Associates CS VIII L.P.                           | Cayman Islands |
| KKR Associates CS IX L.P.                             | Cayman Islands |
| KKR Associates CS X L.P.                              | Cayman Islands |
| KKR Associates Custom Equity Opportunities (AIV) L.P. | Cayman Islands |
| KKR Associates Custom Equity Opportunities L.P.       | Cayman Islands |
| KKR Associates Dislocation Opportunities SCSp         | Luxembourg     |
| KKR Associates Diversified Core Infrastructure SCSp   | Luxembourg     |
| KKR Associates E2 L.P.                                | Cayman Islands |
| KKR Associates EIGF II LLC                            | Delaware       |
| KKR Associates EIGF L.P.                              | Delaware       |

| Name                                           | Jurisdiction   |
|------------------------------------------------|----------------|
| KKR Associates EIGF TE L.P.                    | Delaware       |
| KKR Associates Enhanced US Direct Lending SCSp | Luxembourg     |
| KKR Associates Europe II, Limited Partnership  | Alberta        |
| KKR Associates Europe III, Limited Partnership | Cayman Islands |
| KKR Associates Europe IV L.P.                  | Cayman Islands |
| KKR Associates Europe V SCSp                   | Luxembourg     |
| KKR Associates Europe VI SCSp                  | Luxembourg     |

| Name                                                      | Jurisdiction   |
|-----------------------------------------------------------|----------------|
| KKR Associates European Direct Lending SCSp               | Luxembourg     |
| KKR Associates GCOF GP Ltd.                               | Cayman Islands |
| KKR Associates GFIP L.P.                                  | Cayman Islands |
| KKR Associates Global Climate SCSp                        | Luxembourg     |
| KKR Associates Global Credit Opportunities GP L.P.        | Cayman Islands |
| KKR Associates Global Impact II SCSp                      | Luxembourg     |
| KKR Associates Global Impact SCSp                         | Luxembourg     |
| KKR Associates Group GP LLC                               | Delaware       |
| KKR Associates Group L.P.                                 | Cayman Islands |
| KKR Associates HCSG AIV L.P.                              | Delaware       |
| KKR Associates HCSG II AIV L.P.                           | Delaware       |
| KKR Associates HCSG II SCSp                               | Luxembourg     |
| KKR Associates HCSG L.P.                                  | Delaware       |
| KKR Associates Indigo Equity Partners L.P.                | Delaware       |
| KKR Associates Indigo Holdings L.P.                       | Delaware       |
| KKR Associates Infrastructure (AIV) L.P.                  | Delaware       |
| KKR Associates Infrastructure II AIV L.P.                 | Delaware       |
| KKR Associates Infrastructure II L.P.                     | Cayman Islands |
| KKR Associates Infrastructure III AIV SCSp                | Luxembourg     |
| KKR Associates Infrastructure III SCSp                    | Luxembourg     |
| KKR Associates Infrastructure IV AIV L.P.                 | Delaware       |
| KKR Associates Infrastructure IV SCSp                     | Luxembourg     |
| KKR Associates Infrastructure V SCSp                      | Luxembourg     |
| KKR Associates Infrastructure L.P.                        | Cayman Islands |
| KKR Associates IUH L.P.                                   | Delaware       |
| KKR Associates K-Trust A LLC                              | Delaware       |
| KKR Associates K-Trust B LLC                              | Delaware       |
| KKR Associates K-Trust C LLC                              | Delaware       |
| KKR Associates Lending Europe II SCSp                     | Luxembourg     |
| KKR Associates Lending Europe III SCSp                    | Luxembourg     |
| KKR Associates Lending Europe L.P.                        | Cayman Islands |
| KKR Associates Lending II L.P.                            | Delaware       |
| KKR Associates Lending III L.P.                           | Delaware       |
| KKR Associates Lending IV L.P.                            | Delaware       |
| KKR Associates Lending IV SCSp                            | Luxembourg     |
| KKR Associates Lending L.P.                               | Delaware       |
| KKR Associates LR Energy L.P.                             | Cayman Islands |
| KKR Associates Mexico Co-Investments LLC                  | Delaware       |
| KKR Associates Mezzanine I L.P.                           | Delaware       |
| KKR Associates Millennium (Overseas), Limited Partnership | Alberta        |
| KKR Associates Millennium L.P.                            | Delaware       |

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| Name                                            | Jurisdiction   |
|-------------------------------------------------|----------------|
| KKR Associates Milton Opportunistic Credit, LLC | Delaware       |
| KKR Associates Milton Real Estate L.P.          | Cayman Islands |
| KKR Associates Milton Strategic L.P.            | Cayman Islands |
| KKR Associates NGT AIV L.P.                     | Delaware       |

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| Name                                                         | Jurisdiction   |
|--------------------------------------------------------------|----------------|
| KKR Associates NGT II AIV L.P.                               | Delaware       |
| KKR Associates NGT II SCSp                                   | Luxembourg     |
| KKR Associates NGT III SCSp                                  | Luxembourg     |
| KKR Associates NGT L.P.                                      | Cayman Islands |
| KKR Associates North America XI AIV L.P.                     | Delaware       |
| KKR Associates North America XI L.P.                         | Cayman Islands |
| KKR Associates North America XIII AIV L.P.                   | Delaware       |
| KKR Associates North America XIII SCSp                       | Luxembourg     |
| KKR Associates NR I L.P.                                     | Delaware       |
| KKR Associates NR II L.P.                                    | Delaware       |
| KKR Associates NZSF L.P.                                     | Cayman Islands |
| KKR Associates Opportunities II SCSp                         | Luxembourg     |
| KKR Associates Opportunities Private Investors II-A LLC      | Delaware       |
| KKR Associates PCOP II (Offshore) L.P.                       | Cayman Islands |
| KKR Associates PCOP II L.P.                                  | Delaware       |
| KKR Associates PIP L.P.                                      | Delaware       |
| KKR Associates Principal Opportunities (Domestic) L.P.       | Cayman Islands |
| KKR Associates Principal Opportunities (Offshore) L.P.       | Cayman Islands |
| KKR Associates Principal Opportunities AIV (Domestic) L.P.   | Cayman Islands |
| KKR Associates Principal Opportunities AIV (Offshore) L.P.   | Cayman Islands |
| KKR Associates Principal Opportunities II (Domestic) L.P.    | Cayman Islands |
| KKR Associates Principal Opportunities II (Offshore) L.P.    | Cayman Islands |
| KKR Associates Property Partners Americas SCSp               | Luxembourg     |
| KKR Associates Property Partners Europe SCSp                 | Luxembourg     |
| KKR Associates RCP Europe SCSp                               | Luxembourg     |
| KKR Associates RCP Europe II SCSp                            | Luxembourg     |
| KKR Associates RE Asia SCSp                                  | Luxembourg     |
| KKR Associates Real Estate Opportunistic Credit Strategy LLC | Delaware       |
| KKR Associates RECOI L.P.                                    | Cayman Islands |
| KKR Associates RECOP (AIV) Ltd.                              | Cayman Islands |
| KKR Associates RECOP II L.P.                                 | Cayman Islands |
| KKR Associates RECOP III L.P.                                | Delaware       |
| KKR Associates RECOP Ltd.                                    | Cayman Islands |
| KKR Associates REPA AIV-3 L.P.                               | Delaware       |
| KKR Associates REPA AIV-5 L.P.                               | Cayman Islands |
| KKR Associates REPA II L.P.                                  | Delaware       |
| KKR Associates REPA III SCSp                                 | Luxembourg     |
| KKR Associates REPA IV SCSp                                  | Luxembourg     |
| KKR Associates REPA L.P.                                     | Delaware       |
| KKR Associates REPE II SCSp                                  | Luxembourg     |
| KKR Associates REPE III SCSp                                 | Luxembourg     |

| Name                                          |  | Jurisdiction   |  |
|-----------------------------------------------|--|----------------|--|
| KKR Associates REPE L.P.                      |  | Cayman Islands |  |
| KKR Associates RESDOC L.P.                    |  | Delaware       |  |
| KKR Associates RESTAC L.P.                    |  | Delaware       |  |
| KKR Associates Revolving Credit Partners L.P. |  | Cayman Islands |  |

| Name                                                 | Jurisdiction             |
|------------------------------------------------------|--------------------------|
| KKR Associates ROX II SCSp                           | Luxembourg               |
| KKR Associates RR-RW Credit LLC                      | Delaware                 |
| KKR Associates SA Co-Invest L.P.                     | Cayman Islands           |
| KKR Associates SA Master L.P.                        | Cayman Islands           |
| KKR Associates Special Situations (Domestic) II L.P. | Cayman Islands           |
| KKR Associates Special Situations (Domestic) L.P.    | Cayman Islands           |
| KKR Associates Special Situations (EEA) II Limited   | Cayman Islands           |
| KKR Associates Special Situations (Offshore) II L.P. | Cayman Islands           |
| KKR Associates Special Situations (Offshore) L.P.    | Cayman Islands           |
| KKR Associates SPN L.P.                              | Cayman Islands           |
| KKR Associates TFO L.P.                              | Cayman Islands           |
| KKR Associates TV SPN L.P.                           | Cayman Islands           |
| KKR Associates US Direct Lending SCSp                | Luxembourg               |
| KKR AT Seeder LLC                                    | Delaware                 |
| KKR Athena Co-Invest GP LLC                          | Delaware                 |
| KKR Athena Holdings GP LLC                           | Delaware                 |
| KKR Atlantic Co-Invest GP LLC                        | Delaware                 |
| KKR Aurora SP GP LLC                                 | Delaware                 |
| KKR Australia Investment Management Pty Limited      | Australia                |
| KKR Australia Pty Limited                            | Australia                |
| KKR Azur Co-Invest GP LLC                            | Delaware                 |
| KKR Banff Co-Invest AIV GP LLC                       | Delaware                 |
| KKR Banff Co-Invest GP LLC                           | Delaware                 |
| KKR Bespoke Co-Investments GP LLC                    | Delaware                 |
| KKR Biosimilar GP LLC                                | Delaware                 |
| KKR Bklyner Co-Invest GP LLC                         | Delaware                 |
| KKR Border to Coast Infrastructure (CFV) GP LLC      | Delaware                 |
| KKR Brazil Aggregator GP LLC                         | Delaware                 |
| KKR Brazil LLC                                       | Delaware                 |
| KKR Brickman Co-Invest GP LLC                        | Delaware                 |
| KKR Bulldog Aggregator L.P.                          | Delaware                 |
| KKR Bulldog Co-Invest GP LLC                         | Delaware                 |
| KKR Byzantium Infrastructure Co-Invest GP Limited    | Cayman Islands           |
| KKR Canada LLC                                       | Delaware                 |
| KKR Canada ULC                                       | Nova Scotia              |
| KKR Cape Co-Invest GP LLC                            | Delaware                 |
| KKR Capital Management LLC                           | Delaware                 |
| KKR Capital Markets (Ireland) Limited                | Ireland                  |
| KKR Capital Markets Asia II Limited                  | Hong Kong                |
| KKR Capital Markets Asia Limited                     | Hong Kong                |
| KKR Capital Markets Holdco Limited                   | Jersey                   |
| KKR Capital Markets Holdings GP LLC                  | Delaware                 |
| KKR Capital Markets Holdings L.P.                    | Delaware                 |
| KKR Capital Markets Japan Holdings II LLC            | Delaware                 |
| KKR Capital Markets Japan Ltd. Holdings LLC          | Japan                    |
| KKR Capital Markets Limited                          | England & Wales Delaware |

| Name                                                        | Jurisdiction                        |
|-------------------------------------------------------------|-------------------------------------|
| KKR Capital Markets <a href="#">Japan Ltd.</a>              | <a href="#">Japan</a>               |
| <a href="#">KKR Capital Markets Limited</a>                 | <a href="#">England &amp; Wales</a> |
| <a href="#">KKR Capital Markets LLC</a>                     | Delaware                            |
| KKR Capital Markets Partners LLP                            | England & Wales                     |
| <a href="#">KKR Capital Solutions LLC</a>                   | <a href="#">Delaware</a>            |
| KKR Capstone Americas LLC                                   | Delaware                            |
| KKR Capstone Asia Limited                                   | Hong Kong                           |
| KKR Capstone Australia Pty Limited                          | Australia                           |
| KKR Capstone EMEA (International) LLP                       | Delaware                            |
| KKR Capstone EMEA LLP                                       | England & Wales                     |
| KKR Capstone Holdings LLC                                   | Delaware                            |
| KKR Capstone India Operations Advisory Private Limited      | India                               |
| KKR Capstone Japan Limited                                  | Japan                               |
| KKR Capstone Korea Limited                                  | Korea, Republic of                  |
| KKR Capstone Operations Advisory (Beijing) Company Limited  | China                               |
| KKR Capstone Operations Advisory (Shanghai) Company Limited | China                               |
| KKR Capstone Singapore Pte. Ltd.                            | Singapore                           |
| KKR Caribou Co-Invest GP Limited                            | Cayman Islands                      |
| KKR <a href="#">Catalina GP LLC</a>                         | <a href="#">Delaware</a>            |
| <a href="#">KKR Catalina Holdings L.P.</a>                  | <a href="#">Delaware</a>            |
| <a href="#">KKR Cavalry Co-Invest GP LLC</a>                | Delaware                            |
| KKR CC Co-Invest GP LLC                                     | Delaware                            |
| KKR CDP PE Limited                                          | Cayman Islands                      |
| KKR Cementos GP S.à r.l.                                    | Luxembourg                          |
| KKR Central Park Leasing Aggregator GP LLC                  | Delaware                            |
| KKR Charlie Co-Invest GP LLC                                | Delaware                            |
| KKR China Growth Limited                                    | Cayman Islands                      |
| KKR Chord IP Aggregator <a href="#">GP LLC</a>              | <a href="#">Delaware</a>            |
| <a href="#">KKR CIF II ESC SBS</a> GP LLC                   | Delaware                            |
| KKR CIF II Holdings LLC                                     | Delaware                            |
| KKR CIF II S.à r.l.                                         | Luxembourg                          |
| KKR CIP AIV LLC                                             | Delaware                            |
| KKR CIP Holdings AIV Limited                                | Cayman Islands                      |
| KKR CIP Holdings Limited                                    | Cayman Islands                      |
| KKR CIP S.à r.l.                                            | Luxembourg                          |
| KKR CIS Global Limited                                      | Cayman Islands                      |
| KKR CK Co-Invest GP Limited                                 | Cayman Islands                      |
| KKR CLO Equity Associates III SCSp                          | Luxembourg                          |
| KKR CLO Equity III S.à r.l.                                 | Luxembourg                          |
| KKR Co-Invest GP Holdings L.P.                              | Delaware                            |
| KKR Co-Invest GP LLC                                        | Delaware                            |
| KKR Colorado Co-Invest GP Limited                           | Cayman Islands                      |
| KKR Connect Co-Invest GP LLC                                | Delaware                            |
| KKR Core Associates (L) SCSp                                | Luxembourg                          |



| Name                                    | Jurisdiction   |
|-----------------------------------------|----------------|
| KKR Core (L) Holdings Limited           | Cayman Islands |
| KKR Core (L) S.à r.l.                   | Luxembourg     |
| KKR Core International (A) Holdings LLC | Delaware       |
| KKR Core International (A) S.à r.l.     | Luxembourg     |
| KKR Core Investors II GP Limited        | Cayman Islands |
| KKR Core Investors GP Limited           | Cayman Islands |

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| Name                                            | Jurisdiction    |
|-------------------------------------------------|-----------------|
| KKR Core Investors II L.P.                      | Delaware        |
| KKR Core Investors L.P.                         | Delaware        |
| KKR Corporate Interests Inc.                    | Delaware        |
| KKR Corporate Lending (CA) LLC                  | Delaware        |
| KKR Corporate Lending (Cayman) Limited          | Cayman Islands  |
| KKR Corporate Lending (DE) LLC                  | Delaware        |
| KKR Corporate Lending (TN) LLC                  | Delaware        |
| KKR Corporate Lending (UK) LLC                  | Delaware        |
| KKR Corporate Lending II LLC                    | Delaware        |
| KKR Corporate Lending LLC                       | Delaware        |
| KKR Corsa Co-Invest GP LLC                      | Delaware        |
| KKR Count Co-Invest GP Limited                  | Cayman Islands  |
| KKR CP Holdings LLC                             | Delaware        |
| KKR CP Partners GP Limited                      | Cayman Islands  |
| KKR CP S.à r.l.                                 | Luxembourg      |
| KKR Creation Co-Invest GP LLC                   | Delaware        |
| KKR Credit Accelerator LLC                      | Delaware        |
| KKR Credit Accelerator S.à r.l.                 | Luxembourg      |
| KKR Credit Advisors (EMEA) LLP                  | England & Wales |
| KKR Credit Advisors (Hong Kong) Limited         | Hong Kong       |
| KKR Credit Advisors (Ireland) Unlimited Company | Ireland         |
| KKR Credit Advisors (Singapore) Pte. Ltd.       | Singapore       |
| KKR Credit Advisors (UK) LLP                    | England & Wales |
| KKR Credit Advisors (US) LLC                    | Delaware        |
| KKR Credit Associates Accelerator SCSp          | Luxembourg      |
| KKR Credit Fund Advisors LLC                    | Delaware        |
| KKR Credit Partners GP LLC                      | Delaware        |
| KKR Credit Select Limited                       | Cayman Islands  |
| KKR Cretaceous Co-Invest GP LLC                 | Delaware        |
| KKR CS Advisors I LLC                           | Delaware        |
| KKR CS I Limited                                | Cayman Islands  |
| KKR CS II Limited                               | Cayman Islands  |
| KKR CS III Limited                              | Cayman Islands  |
| KKR CS V LLC                                    | Delaware        |
| KKR CS VIII Investor LLC                        | Delaware        |
| KKR CS VIII Limited                             | Cayman Islands  |
| KKR CS IX Limited                               | Cayman Islands  |
| KKR CS X Limited                                | Cayman Islands  |
| KKR Custom Equity Opportunities (AIV) Limited   | Cayman Islands  |

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| Name                                    | Jurisdiction   |
|-----------------------------------------|----------------|
| KKR Custom Equity Opportunities Limited | Cayman Islands |
| KKR Cyprus Holdings LLC                 | Delaware       |
| KKR DAV Manager LLC                     | Delaware       |
| KKR DBFH LLC                            | Delaware       |
| KKR DBMH LLC                            | Delaware       |
| KKR de Mexico, S.C.                     | Mexico         |
| KKR Denali Co-Invest GP LLC             | Delaware       |
| KKR Digital Scale SPV LLC               | Delaware       |
| KKR Dislocation Opportunities Limited   | Cayman Islands |

| Name                                                | Jurisdiction   |
|-----------------------------------------------------|----------------|
| KKR Dislocation Opportunities S.à r.l.              | Luxembourg     |
| KKR Diversified Core Infrastructure Limited         | Cayman Islands |
| KKR Diversified Core Infrastructure S.à r.l.        | Luxembourg     |
| KKR Diversified Private Markets GP Holdings Limited | Cayman Islands |
| KKR Dragon Co-Invest GP LLC                         | Delaware       |
| KKR E2 Limited                                      | Cayman Islands |
| KKR Eagle Aggregator GP Limited                     | Cayman Islands |
| KKR Eagle Co-Invest GP Limited                      | Cayman Islands |
| KKR Easel Co-Invest GP LLC                          | Delaware       |
| KKR EIGF Feeder GP Limited                          | Cayman Islands |
| KKR EIGF II LLC                                     | Delaware       |
| KKR EIGF LLC                                        | Delaware       |
| KKR Energy Assets Manager LLC                       | Delaware       |
| KKR Energy HF Stake II Limited                      | Cayman Islands |
| KKR Energy HF Stake III Limited                     | Cayman Islands |
| KKR Energy HF Stake Limited                         | Cayman Islands |
| KKR Energy Investors Blocker GP Limited             | Cayman Islands |
| KKR Enhanced US Direct Lending S.à r.l.             | Luxembourg     |
| KKR Enterprise Co-Invest AIV A GP LLC               | Delaware       |
| KKR Enterprise Co-Invest AIV B GP LLC               | Delaware       |
| KKR Enterprise Co-Invest GP LLC                     | Delaware       |
| KKR Enterprise Debt Aggregator A GP LLC             | Delaware       |
| KKR Enterprise Debt Aggregator B GP LLC             | Delaware       |
| KKR Europe LLC                                      | Delaware       |
| KKR Europe II Limited                               | Cayman Islands |
| KKR Europe III Limited                              | Cayman Islands |
| KKR Europe IV EEA Limited                           | Cayman Islands |
| KKR Europe IV EEA LLC                               | Delaware       |
| KKR Europe IV Investments GP Limited                | Cayman Islands |
| KKR Europe IV Limited                               | Cayman Islands |
| KKR Europe V Holdings Limited                       | Cayman Islands |
| KKR Europe V Holdings LLC                           | Delaware       |
| KKR Europe V S.à r.l.                               | Luxembourg     |
| KKR Europe VI ESC SBS GP LLC                        | Delaware       |
| KKR Europe VI LLC                                   | Delaware       |
| KKR Europe VI S.à r.l.                              | Luxembourg     |

| Name                                  | Jurisdiction   |
|---------------------------------------|----------------|
| KKR European Direct Lending LLC       | Delaware       |
| KKR European Direct Lending S.à r.l.  | Luxembourg     |
| KKR European Fund IV Investments L.P. | Cayman Islands |
| KKR European Infrastructure Limited   | Cayman Islands |
| KKR European Infrastructure LLC       | Delaware       |
| KKR Evergreen Co-Invest II GP LLC     | Delaware       |
| KKR EVI French Associates LLC         | Delaware       |
| KKR FH Investment Limited             | Cayman Islands |
| KKR FI Advisors Cayman Ltd.           | Cayman Islands |
| KKR FI Advisors LLC                   | Delaware       |
| KKR Finance LLC                       | Delaware       |
| KKR Financial Advisors II, LLC        | Delaware       |
| KKR Financial Advisors IV LLC         | Delaware       |

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| Name                                    | Jurisdiction   |
|-----------------------------------------|----------------|
| KKR Financial Advisors LLC              | Delaware       |
| KKR Financial Capital Trust I           | Delaware       |
| KKR Financial Capital Trust II          | Delaware       |
| KKR Financial Capital Trust III         | Delaware       |
| KKR Financial Capital Trust IV          | Delaware       |
| KKR Financial Capital Trust V           | Delaware       |
| KKR Financial Capital Trust VI          | Delaware       |
| KKR Financial CLO Holdings II LLC       | Delaware       |
| KKR Financial CLO Holdings, LLC         | Delaware       |
| KKR Financial Holdings HedgeCo LLC      | Cayman Islands |
| KKR Financial Holdings II, Ltd.         | Cayman Islands |
| KKR Financial Holdings III, LLC         | Delaware       |
| KKR Financial Holdings III, Ltd.        | Cayman Islands |
| KKR Financial Holdings LLC              | Delaware       |
| KKR Financial Holdings, Inc.            | Delaware       |
| KKR Financial Holdings, Ltd.            | Cayman Islands |
| KKR Financial Management LLC            | Delaware       |
| KKR Fitness Co-Invest GP LLC            | Delaware       |
| KKR FSK Aggregator (Unlev) GP LLC       | Delaware       |
| KKR FSK Aggregator GP LLC               | Delaware       |
| KKR FSK Co-Invest (Unlev) GP LLC        | Delaware       |
| KKR FSK Co-Invest GP LLC                | Delaware       |
| KKR Fund Administration LLC             | Delaware       |
| KKR Gamma Co-Invest GP LLC              | Delaware       |
| KKR Gamma Series B GP LLC               | Delaware       |
| KKR Gaudi Investors LLC                 | Delaware       |
| KKR GCOF Access Fund Funding GP Limited | Cayman Islands |
| KKR GCOF Access Fund Holding GP Limited | Cayman Islands |
| KKR Gem Co-Invest GP LLC                | Delaware       |
| KKR Genetic Disorder GP LLC             | Delaware       |
| KKR GFIP Limited                        | Cayman Islands |
| KKR Global Climate S.à r.l.             | Luxembourg     |

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| Name                                                     | Jurisdiction   |
|----------------------------------------------------------|----------------|
| KKR Global Credit Dislocation GP LLC                     | Delaware       |
| KKR Global Credit Opportunities Access Fund GP Limited   | Cayman Islands |
| KKR Global Credit Opportunities Access Fund GP Pte. Ltd. | Singapore      |
| KKR Global Impact Fund Holdings Limited                  | Cayman Islands |
| KKR Global Impact Fund II LLC                            | Delaware       |
| KKR Global Impact II ESC SBS GP LLC                      | Delaware       |
| KKR Global Impact II Private Investors GP LLC            | Delaware       |
| KKR Global Impact II S.à r.l.                            | Luxembourg     |
| KKR Global Infrastructure IV Private Investors GP LLC    | Delaware       |
| KKR Global Impact S.à r.l.                               | Luxembourg     |
| KKR Glory (KPE) Limited                                  | Cayman Islands |
| KKR GMO GP Limited                                       | Cayman Islands |
| KKR GMO II Holdings L.P.                                 | Cayman Islands |
| KKR GMO II Holdings Limited                              | Cayman Islands |
| KKR GMO II US Holdings LLC                               | Delaware       |

| Name                                                     | Jurisdiction   |
|----------------------------------------------------------|----------------|
| KKR Goldfinch GP LLC                                     | Delaware       |
| KKR GP Credit 2023 S.à r.l.                              | Luxembourg     |
| KKR GP Hedge Limited                                     | Cayman Islands |
| KKR GP HoldCo (Shanghai) Enterprise Management Co., Ltd. | China          |
| KKR Group Assets GP LLC                                  | Delaware       |
| KKR Group Assets II GP LLC                               | Delaware       |
| KKR Group Assets III GP LLC                              | Delaware       |
| KKR Group Assets Holdings L.P.                           | Delaware       |
| KKR Group Assets Holdings II L.P.                        | Delaware       |
| KKR Group Assets Holdings III L.P.                       | Delaware       |
| KKR Group Co. Inc.                                       | Delaware       |
| KKR Group Finance Co. II LLC                             | Delaware       |
| KKR Group Finance Co. III LLC                            | Delaware       |
| KKR Group Finance Co. IV LLC                             | Delaware       |
| KKR Group Finance Co. V LLC                              | Delaware       |
| KKR Group Finance Co. VI LLC                             | Delaware       |
| KKR Group Finance Co. VII LLC                            | Delaware       |
| KKR Group Finance Co. VIII LLC                           | Delaware       |
| KKR Group Finance Co. IX LLC                             | Delaware       |
| KKR Group Finance Co. X LLC                              | Delaware       |
| KKR Group Finance Co. XI LLC                             | Delaware       |
| KKR Group Finance Co. XII LLC                            | Delaware       |
| KKR Group Finance Co. Holdings Limited                   | Cayman Islands |
| KKR Group Finance Co. LLC                                | Delaware       |
| KKR Group Holdings Corp.                                 | Delaware       |
| KKR Group Holdings L.P.                                  | Delaware       |
| KKR Group Partnership L.P.                               | Cayman Islands |
| KKR HALO I Limited                                       | Cayman Islands |
| KKR HCSG GP AIV LLC                                      | Delaware       |
| KKR HCSG GP LLC                                          | Delaware       |

| Name                               | Jurisdiction   |
|------------------------------------|----------------|
| KKR HCSG II AIV GP LLC             | Delaware       |
| KKR HCSG II AIV Holdings LLC       | Delaware       |
| KKR HCSG II S.à r.l.               | Luxembourg     |
| KKR Heford AIV GP LLC              | Delaware       |
| KKR HF LP Limited                  | Cayman Islands |
| KKR Holdco LLC                     | Delaware       |
| KKR Holdings II L.P.               | Cayman Islands |
| KKR Holdings Mauritius, Ltd.       | Mauritius      |
| KKR Horizon Co-Invest GP LLC       | Delaware       |
| KKR Husky Co-Invest GP LLC         | Delaware       |
| KKR HY Holdings LLC                | Delaware       |
| KKR HY LLC                         | Delaware       |
| KKR HY Owner LLC                   | Delaware       |
| KKR IFI GP L.P.                    | Cayman Islands |
| KKR IFI Limited                    | Cayman Islands |
| KKR IKPMF Alternative Holdings LLC | Delaware       |
| KKR ILP LLC                        | Delaware       |

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| Name                                                     | Jurisdiction   |
|----------------------------------------------------------|----------------|
| KKR Inception Co-Invest GP LLC                           | Delaware       |
| KKR India Advisors Private Limited                       | India          |
| KKR India Finance Holdings LLC                           | Delaware       |
| KKR India Financial Investments Pte. Ltd.                | Singapore      |
| KKR India LLC                                            | Delaware       |
| KKR India Reconstruction Pte. Ltd.                       | Singapore      |
| KKR India Roads Co-Invest GP LLC                         | Delaware       |
| KKR Indigo Co-Invest GP LLC                              | Delaware       |
| KKR Indigo Equity Partners GP LLC                        | Delaware       |
| KKR Infrastructure (AIV) GP LLC                          | Delaware       |
| KKR Infrastructure Conglomerate LLC                      | Delaware       |
| KKR Infrastructure II AIV GP LLC                         | Delaware       |
| KKR Infrastructure II EEA Limited                        | Cayman Islands |
| KKR Infrastructure II EEA LLC                            | Delaware       |
| KKR Infrastructure II Limited                            | Cayman Islands |
| KKR Infrastructure III AIV S.à r.l.                      | Luxembourg     |
| KKR Infrastructure III Holdings AIV Limited              | Cayman Islands |
| KKR Infrastructure III Holdings Limited                  | Cayman Islands |
| KKR Infrastructure III S.à r.l.                          | Luxembourg     |
| KKR Infrastructure IV AIV LLC                            | Delaware       |
| KKR Infrastructure IV Holdings AIV Limited               | Cayman Islands |
| KKR Infrastructure IV Holdings Limited                   | Cayman Islands |
| KKR Infrastructure IV S.à r.l.                           | Luxembourg     |
| KKR Infrastructure V S.à r.l.                            | Luxembourg     |
| KKR Infrastructure Limited                               | Cayman Islands |
| KKR Ingrid Co-Invest GP Limited                          | Cayman Islands |
| KKR Investment Advisory (Shanghai) LLC                   | China          |
| KKR Investment Advisory (Zhuhai Hengqin) Company Limited | China          |

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| Name                                                 | Jurisdiction       |
|------------------------------------------------------|--------------------|
| KKR Investment Consultancy (Beijing) Company Limited | China              |
| KKR Investment Holdings I (Mauritius), Ltd.          | Mauritius          |
| KKR Investment Management (Hainan) Co., Ltd.         | China              |
| KKR Investment Management (Shanghai) Co., Ltd.       | China              |
| KKR Investment Management LLC                        | Delaware           |
| KKR Investments LLC                                  | Delaware           |
| KKR Irish Holdings SPC Limited                       | Cayman Islands     |
| KKR Irish Parent S.à r.l.                            | Luxembourg         |
| KKR IUH LLC                                          | Delaware           |
| KKR Japan Limited                                    | Japan              |
| KKR Knox (Panther Holdings) LLC                      | Delaware           |
| KKR Korea Limited Liability Corporation              | Korea, Republic of |
| KKR KP SP GP LLC                                     | Delaware           |
| KKR KPE LLC                                          | Delaware           |
| KKR KREF Feeder GP LLC                               | Delaware           |
| KKR Landmark Partners GP AIV LLC                     | Delaware           |
| KKR Landmark Partners GP Limited                     | Cayman Islands     |
| KKR Latin America LLC                                | Delaware           |
| KKR Lending Europe GP Limited                        | Cayman Islands     |
| KKR Lending Europe GP LLP                            | Guernsey           |

| Name                                        | Jurisdiction    |
|---------------------------------------------|-----------------|
| KKR Lending Europe II Holdings Limited      | Cayman Islands  |
| KKR Lending Europe II S.à r.l.              | Luxembourg      |
| KKR Lending Europe III Holdings LLC         | Delaware        |
| KKR Lending Europe III S.à r.l.             | Luxembourg      |
| KKR Lending Europe Limited                  | Cayman Islands  |
| KKR Lending GP LLC                          | Delaware        |
| KKR Lending II GP LLC                       | Delaware        |
| KKR Lending III GP LLC                      | Delaware        |
| KKR Lending IV GP LLC                       | Delaware        |
| KKR Lending IV S.à r.l.                     | Luxembourg      |
| KKR Leo Co-Invest GP LLC                    | Delaware        |
| KKR <b>Lion Financing L.P.</b>              | <b>Delaware</b> |
| <b>KKR Lion Holdings LLC</b>                | <b>Delaware</b> |
| <b>KKR</b> Loan Administration Services LLC | Delaware        |
| KKR Lorca Co-Invest GP LLC                  | Delaware        |
| KKR LR Energy Limited                       | Cayman Islands  |
| KKR Luna <b>Co-Invest GP LLC</b>            | <b>Delaware</b> |
| <b>KKR Luna II Debt</b> Co-Invest GP LLC    | Delaware        |
| KKR Luxembourg S.à r.l.                     | Luxembourg      |
| KKR Mackellar Partners GP Limited           | Cayman Islands  |
| KKR Magnitude GP LLC                        | Delaware        |
| KKR Magnolia Holdings LLC                   | Cayman Islands  |
| KKR Malaga Co-Invest GP LLC                 | Delaware        |
| KKR Management Hedge Limited                | Cayman Islands  |
| KKR Matterhorn Co-Invest GP Limited         | Cayman Islands  |

| Name                                                                 | Jurisdiction                         |
|----------------------------------------------------------------------|--------------------------------------|
| KKR Mauritius PE Investments I, Ltd.                                 | Mauritius                            |
| KKR Maven GP Limited                                                 | Cayman Islands                       |
| KKR Maven I SLP Limited                                              | Cayman Islands                       |
| KKR Maven II SLP Limited                                             | Cayman Islands                       |
| KKR Maybach Co-Invest GP Limited                                     | Cayman Islands                       |
| KKR Melange Co-invest GP LLC                                         | Delaware                             |
| KKR Melwood Co-Invest GP LLC                                         | Delaware                             |
| KKR MENA Holdings LLC                                                | Delaware                             |
| KKR MENA Limited                                                     | Dubai International Financial Centre |
| KKR Meridian Co-Invest GP Limited                                    | Cayman Islands                       |
| KKR Mexico LLC                                                       | Delaware                             |
| KKR Mezzanine GP LLC                                                 | Delaware                             |
| KKR Mezzanine I Advisors LLC                                         | Delaware                             |
| KKR Mezzanine Offshore Feeder I GP Limited                           | Cayman Islands                       |
| KKR MIC Asia GP Limited                                              | Cayman Islands                       |
| KKR MIC Asia Holdings LLC                                            | Delaware                             |
| KKR MIC JDP GP Limited                                               | Cayman Islands                       |
| KKR Millennium GP LLC                                                | Delaware                             |
| KKR Millennium Limited                                               | Cayman Islands                       |
| KKR Milton Real Estate Limited                                       | Cayman Islands                       |
| KKR Milton Strategic Limited                                         | Cayman Islands                       |
| KKR MMI Holdings GP Limited                                          | Cayman Islands                       |
| KKR MN GP LLC                                                        | Delaware                             |
| KKR Mule Co-Invest GP LLC                                            | Delaware                             |
| KKR Multi-Asset Class Fund, a sub-fund of KKR Multi-Asset Class ICAV | Ireland                              |
| KKR Muse Co-Invest GP LLC                                            | Delaware                             |

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| Name                                       | Jurisdiction   |
|--------------------------------------------|----------------|
| KKR Nautilus Aggregator Limited            | Cayman Islands |
| KKR Neon Aggregator GP LLC                 | Delaware       |
| KKR Neon Co-Invest GP LLC                  | Delaware       |
| KKR Nest Co-Invest GP LLC                  | Delaware       |
| KKR Nevada Ventures LLC                    | Cayman Islands |
| KKR Next Gen Tech Fund II Holdings Limited | Cayman Islands |
| KKR Next Gen Tech Fund III LLC             | Delaware       |
| KKR Next Gen Tech Growth AIV LLC           | Delaware       |
| KKR Next Gen Tech Growth Limited           | Cayman Islands |
| KKR NGT EEA Limited                        | Cayman Islands |
| KKR NGT EEA LLC                            | Delaware       |
| KKR NGT II GP AIV LLC                      | Delaware       |
| KKR NGT II S.à r.l.                        | Luxembourg     |
| KKR NGT III ESC SBS GP LLC                 | Delaware       |
| KKR NGT III S.à r.l.                       | Luxembourg     |
| KKR Nimbus Co-Invest GP LLC                | Delaware       |
| KKR Ninja Co-Invest GP LLC                 | Delaware       |
| KKR Nitro Holdings Limited                 | Cayman Islands |
| KKR Noah GP Associates Limited             | Cayman Islands |

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| Name                                            | Jurisdiction   |
|-------------------------------------------------|----------------|
| KKR Nordics AB                                  | Sweden         |
| KKR North America Fund XI Brazil GP LLC         | Delaware       |
| KKR North America XI AIV GP LLC                 | Delaware       |
| KKR North America XI Limited                    | Cayman Islands |
| KKR North America XIII AIV GP LLC               | Delaware       |
| KKR North America XIII AIV Holdings LLC         | Delaware       |
| KKR North America XIII Holdings Limited         | Cayman Islands |
| KKR North America XIII Private Investors GP LLC | Delaware       |
| KKR North America XIII S.à r.l.                 | Luxembourg     |
| KKR NR I LLC                                    | Delaware       |
| KKR NR II LLC                                   | Delaware       |
| KKR NR Investors I-A GP LLC                     | Delaware       |
| KKR NZSF Limited                                | Cayman Islands |
| KKR Oak Co-Invest GP LLC                        | Delaware       |
| KKR Oculus Co-Invest GP LLC                     | Delaware       |
| KKR Olive Co-Invest GP LLC                      | Delaware       |
| KKR Olympus Co-Invest GP LLC                    | Delaware       |
| KKR Omega Co-Invest GP LLC                      | Delaware       |
| KKR Opportunities (Domestic) Fund II SCS        | Luxembourg     |
| KKR Opportunities II LLC                        | Delaware       |
| KKR Opportunities II S.à r.l.                   | Luxembourg     |
| KKR Oracle Holdings LLC                         | Delaware       |
| KKR Pacer Holdings GP Limited                   | Cayman Islands |
| KKR Pacer Holdings L.P.                         | Cayman Islands |
| KKR Palette Co-Invest GP LLC                    | Delaware       |
| KKR Panther Co-Invest GP LLC                    | Delaware       |
| KKR Parrot Co-Invest GP Limited                 | Cayman Islands |
| KKR Partners IV GP LLC                          | Delaware       |
| KKR Patagonia Co-Invest GP LLC                  | Delaware       |
| KKR PCOP II (EEA) Limited                       | Cayman Islands |

| Name                              | Jurisdiction   |
|-----------------------------------|----------------|
| KKR PCOP II (EEA) LLC             | Delaware       |
| KKR PCOP II (Offshore) Limited    | Cayman Islands |
| KKR PCOP II GP LLC                | Delaware       |
| KKR Pebble Co-Invest GP LLC       | Delaware       |
| KKR Pegasus Co-Invest GP LLC      | Delaware       |
| KKR PEI Associates L.P.           | Cayman Islands |
| KKR PEI GP Limited                | Cayman Islands |
| KKR PEI Investments, L.P.         | Cayman Islands |
| KKR PEI Opportunities GP, Ltd.    | Cayman Islands |
| KKR PEI Opportunities, L.P.       | Cayman Islands |
| KKR PEI Securities Holdings, Ltd. | Cayman Islands |
| KKR Percival Co-Invest GP LLC     | Delaware       |
| KKR Phoenix 1 Co-Invest GP LLC    | Delaware       |
| KKR Phorm Investors GP LLC        | Delaware       |
| KKR Pikak Co-Invest AUD GP LLC    | Delaware       |

| Name                                               | Jurisdiction      |
|----------------------------------------------------|-------------------|
| KKR Pikak Co-Invest USD GP LLC                     | Delaware          |
| KKR Pinnacle Co-Invest GP LLC                      | Delaware          |
| KKR PIP GP LLC                                     | Delaware          |
| KKR Planets Co-Invest GP LLC                       | Delaware          |
| KKR Platinum Co-Invest Blocker Parent GP LLC       | Delaware          |
| KKR Platinum Co-Invest GP LLC                      | Delaware          |
| KKR Portfolio Services GP S.à r.l.                 | Luxembourg        |
| KKR Portfolio Services Holdings LLC                | Delaware          |
| KKR Precise Co-Invest GP LLC                       | Delaware          |
| KKR Principal Opportunities (Domestic) Limited     | Cayman Islands    |
| KKR Principal Opportunities (Offshore) Limited     | Cayman Islands    |
| KKR Principal Opportunities AIV (Domestic) Limited | Cayman Islands    |
| KKR Principal Opportunities AIV (Offshore) Limited | Cayman Islands    |
| KKR Principal Opportunities II (Domestic) Limited  | Cayman Islands    |
| KKR Principal Opportunities II (Offshore) Limited  | Cayman Islands    |
| KKR Private Equity Conglomerate LLC                | Delaware          |
| KKR Private Markets Equity Fund SICAV SA           | Luxembourg        |
| KKR <b>Proof Co-Invest GP LLC</b>                  | <b>Delaware</b>   |
| <b>KKR</b> Property Partners Americas Limited      | Cayman Islands    |
| KKR Property Partners Americas S.à r.l.            | Luxembourg        |
| KKR Property Partners Europe <b>(EUR) SCSp</b>     | <b>Luxembourg</b> |
| <b>KKR Property Partners Europe</b> Holdings LLC   | Delaware          |
| KKR Property Partners Europe S.à r.l.              | Luxembourg        |
| <b>KKR Prosvasi 2022 GP LLC</b>                    | <b>Delaware</b>   |
| <b>KKR Quartz Co-Invest GP LLC</b>                 | <b>Delaware</b>   |
| KKR Radar LLC                                      | Cayman Islands    |
| KKR Rainbow Co-Invest (Asset) GP LLC               | Delaware          |
| KKR Rainbow Co-Invest (India) GP LLC               | Delaware          |
| KKR Ramky Co-Invest GP Limited                     | Cayman Islands    |
| KKR Ranger Co-Invest GP Limited                    | Cayman Islands    |
| KKR RCP Europe II LLC                              | Delaware          |
| KKR RCP Europe II S.à r.l.                         | Luxembourg        |
| KKR RCP Europe Limited                             | Cayman Islands    |
| KKR RCP Europe S.à r.l.                            | Luxembourg        |
| KKR RE Asia Limited                                | Cayman Islands    |
| KKR RE Asia S.à r.l.                               | Luxembourg        |

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| Name                                                | Jurisdiction       |
|-----------------------------------------------------|--------------------|
| KKR Real Assets Korea Limited Liability Corporation | Korea, Republic of |
| KKR Real Estate Credit Manager LLC                  | Delaware           |
| KKR Real Estate Finance Manager LLC                 | Delaware           |
| KKR RECOI (Cayman) Limited                          | Cayman Islands     |
| KKR RECOI (Singapore) Pte. Ltd.                     | Singapore          |
| KKR RECOP Aggregator (AIV) GP LLC                   | Delaware           |
| KKR RECOP Aggregator GP LLC                         | Delaware           |
| KKR RECOP II GP Limited                             | Cayman Islands     |
| KKR RECOP III GP LLC                                | Delaware           |

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| Name                                               | Jurisdiction            |
|----------------------------------------------------|-------------------------|
| KKR Redwood Co-Invest GP LLC                       | Delaware                |
| KKR REFT Asset Holdings LLC                        | Delaware                |
| KKR REFT Holdings GP LLC                           | Delaware                |
| KKR REFT Holdings L.P.                             | Delaware                |
| KKR Registered Advisor LLC                         | Delaware                |
| KKR REIGN Sponsor GP Limited                       | Cayman Islands          |
| KKR Renovate Co-Invest GP LLC                      | Delaware                |
| KKR REPA AIV-3 GP LLC                              | Delaware                |
| KKR REPA AIV-5 GP Ltd.                             | Cayman Islands          |
| KKR REPA GP LLC                                    | Delaware                |
| KKR REPA II GP LLC                                 | Delaware                |
| KKR REPA II GP2 LLC                                | Delaware                |
| KKR REPA III (AIV I) LLC                           | Delaware                |
| KKR REPA III (UP (A)) LLC                          | Delaware                |
| KKR REPA III Feeder GP (K) LLC                     | Delaware                |
| KKR REPA III Holdings Limited                      | Cayman Islands          |
| KKR REPA III S.à r.l.                              | Luxembourg              |
| KKR REPA IV LLC                                    | Delaware                |
| KKR REPA IV S.à r.l.                               | Luxembourg              |
| KKR REPE EEA Limited                               | Cayman Islands          |
| KKR REPE EEA LLC                                   | Delaware                |
| KKR REPE GP Limited                                | Cayman Islands          |
| KKR REPE II Feeder GP (K) LLC                      | Delaware                |
| KKR REPE II Limited                                | Cayman Islands          |
| KKR REPE II S.à r.l.                               | Luxembourg              |
| KKR REPE III LLC                                   | Delaware                |
| KKR REPE III S.à r.l.                              | Luxembourg              |
| KKR RESDOC GP LLC                                  | Delaware                |
| KKR Respond Co-Invest GP LLC                       | Delaware                |
| KKR RESTAC GP LLC                                  | Delaware                |
| KKR Revolving Credit Associates II L.P.            | Cayman Islands          |
| KKR Revolving Credit Partners II Limited           | Cayman Islands          |
| KKR Revolving Credit Partners Limited RMB Fund LLC | Cayman Islands Delaware |
| KKR ROX II Feeder GP (K) LLC                       | Delaware                |
| KKR ROX II Holdings LLC                            | Delaware                |
| KKR KR ROX II S.à r.l.                             | Luxembourg              |
| KKR RTV Manager LLC                                | Delaware                |



| Name                                       | Jurisdiction   |
|--------------------------------------------|----------------|
| KKR RTV Manager 2 LLC                      | Delaware       |
| KKR RTV Manager 3 LLC                      | Delaware       |
| KKR SA Co-Invest GP Limited                | Cayman Islands |
| KKR SA Master GP Limited                   | Cayman Islands |
| KKR Sandy Co-Invest GP LLC                 | Delaware       |
| KKR Sansibar Co-Invest GP LLC              | Delaware       |
| KKR Saudi Limited                          | Saudi Arabia   |
| KKR Senior Floating Rate Income GP Limited | Cayman Islands |
| KKR Shadow Co-Invest GP LLC                | Delaware       |

| Name                                           | Jurisdiction   |
|------------------------------------------------|----------------|
| KKR Sigma Co-Invest GP Limited                 | Cayman Islands |
| KKR Singapore Pte. Ltd.                        | Singapore      |
| KKR Skyline Co-Invest GP LLC                   | Delaware       |
| KKR Sonar LLC                                  | Delaware       |
| KKR Spark Power Holdings I (Mauritius), Ltd.   | Mauritius      |
| KKR Special Acquisition Holdings GP LLC        | Delaware       |
| KKR Special Acquisition Holdings L.P.          | Delaware       |
| KKR Special Situations (Domestic) II Limited   | Cayman Islands |
| KKR Special Situations (Domestic) Limited      | Cayman Islands |
| KKR Special Situations (Offshore) II Limited   | Cayman Islands |
| KKR Special Situations (Offshore) Limited      | Cayman Islands |
| KKR SPN GP Limited                             | Cayman Islands |
| KKR Sprint Co-Invest GP LLC                    | Delaware       |
| KKR Spur Co-Invest GP LLC                      | Delaware       |
| KKR Square GP Limited                          | Cayman Islands |
| KKR Star Co-Invest GP LLC                      | Delaware       |
| KKR Starlight Co-Invest GP Limited             | Cayman Islands |
| KKR Stellar Co-Invest GP LLC                   | Delaware       |
| KKR STG Co-Invest GP LLC                       | Delaware       |
| KKR Strada Co-Invest GP LLC                    | Delaware       |
| KKR Strategic Capital Institutional Fund, Ltd. | Cayman Islands |
| KKR Strategic Capital Management, L.L.C.       | Delaware       |
| KKR Streaming Aggregator GP Limited            | Cayman Islands |
| KKR Subordinated Credit Holdings LLC           | Delaware       |
| KKR Sunrise Co-Invest GP LLC                   | Delaware       |
| KKR Supernova Co-Invest GP LLC                 | Delaware       |
| KKR Switzerland GmbH                           | Switzerland    |
| KKR Tactical Private Credit LLC                | Delaware       |
| KKR Tactical Private Credit US I LLC           | Delaware       |
| KKR Tactical Private Credit US II LLC          | Delaware       |
| KKR Talk Co-Invest GP Limited                  | Delaware       |
| KKR Taurus Co-Invest GP Limited                | Cayman Islands |
| KKR TE Seeder LLC                              | Cayman Islands |
| KKR Teemo Co-Invest GP LLC                     | Delaware       |
| KKR TFO GP Limited                             | Delaware       |
| KKR Thor Co-Invest GP LLC                      | Cayman Islands |
| KKR Tinder Co-Invest GP LLC                    | Delaware       |
| KKR Topaz LLC                                  | Delaware       |
| KKR Traviata Co-Invest GP LLC                  | Delaware       |
| KKR TRS Holdings, Ltd.                         | Cayman Islands |
| KKR TV SPN GP Limited                          | Cayman Islands |

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| Name                        | Jurisdiction |
|-----------------------------|--------------|
| KKR UCI Manco S.à r.l.      | Luxembourg   |
| KKR Uno LLC                 | Delaware     |
| KKR Upstream Associates LLC | Delaware     |
| KKR Upstream LLC            | Delaware     |

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| Name                                                                         | Jurisdiction   |
|------------------------------------------------------------------------------|----------------|
| KKR US CLO Equity Associates Ltd.                                            | Cayman Islands |
| KKR US CLO Equity Associates II Ltd.                                         | Cayman Islands |
| KKR US CLO Equity Associates III Ltd.                                        | Cayman Islands |
| KKR US CLO Equity Associates IV Ltd.                                         | Cayman Islands |
| KKR US Direct Lending LLC                                                    | Delaware       |
| KKR US Direct Lending S.à r.l.                                               | Luxembourg     |
| KKR Viking Co-Invest GP Limited                                              | Delaware       |
| KKR Vision Investors GP LLC                                                  | Delaware       |
| KKR Wand GP LLC                                                              | Delaware       |
| KKR Warrior Co-Invest GP LLC                                                 | Delaware       |
| KKR Willow Co-Invest GP LLC                                                  | Delaware       |
| KKR Wolverine I Sponsor LLC                                                  | Delaware       |
| KKR X-Ray Co-Invest GP LLC                                                   | Delaware       |
| KKR YC AIV-1 Associates L.P.                                                 | Delaware       |
| KKR YC Associates GP L.P.                                                    | Cayman Islands |
| KKR YC Associates GP Limited                                                 | Cayman Islands |
| KKR YC Associates L.P.                                                       | Cayman Islands |
| KKR-Barmenia EDL Associates SCSp                                             | Luxembourg     |
| KKR-Barmenia EDL Holdings Limited                                            | Cayman Islands |
| KKR-Barmenia EDL S.à r.l.                                                    | Luxembourg     |
| KKR-DUS EDL Associates SCSp                                                  | Luxembourg     |
| KKR-DUS EDL Holdings Limited                                                 | Cayman Islands |
| KKR-DUS EDL S.à r.l.                                                         | Luxembourg     |
| KKR-Engineers GP LLC                                                         | Delaware       |
| KKR-Engineers LP                                                             | Delaware       |
| KKR-Generali Associates SCSp                                                 | Luxembourg     |
| KKR-Generali Holdings Limited                                                | Cayman Islands |
| KKR-Generali S.à r.l.                                                        | Luxembourg     |
| KKR-Income Holdings LLC                                                      | Delaware       |
| KKR-Income Trust Associates SCSp                                             | Luxembourg     |
| KKR-Income Trust GP S.à r.l.                                                 | Luxembourg     |
| K-India Operations Pte. Ltd.                                                 | Singapore      |
| KKR-Jesselton HIF Credit Partners GP Limited                                 | Cayman Islands |
| KKR-Keats Asia Infrastructure Strategic Equity Co-Investment Fund GP Limited | Cayman Islands |
| KKR-KEATS Associates Pipeline II L.P.                                        | Cayman Islands |
| KKR-Keats Associates Pipeline L.P.                                           | Delaware       |
| KKR-KEATS Pipeline II Limited                                                | Cayman Islands |
| KKR-Keats Pipeline LLC                                                       | Delaware       |
| KKR-Keats Strategic Equity Co-Investment Fund GP Limited                     | Cayman Islands |
| KKR-Kultala Co-Investments GP Limited                                        | Cayman Islands |
| KKR-LON Credit Strategies Associates SCSp                                    | Luxembourg     |
| KKR-LON Credit Strategies Holdings Limited                                   | Cayman Islands |

| Name                 |  | Jurisdiction   |
|----------------------|--|----------------|
| KKR-LON CS S.à r.l.  |  | Luxembourg     |
| KKR-MM Vector GP LLC |  | Delaware       |
| KKR-NWM GP Limited   |  | Cayman Islands |

| Name                                                            | Jurisdiction    |
|-----------------------------------------------------------------|-----------------|
| KKR-NYC Credit A GP LLC                                         | Delaware        |
| KKR-NYC Credit B GP LLC                                         | Delaware        |
| KKR-NYC Credit C GP LLC                                         | Delaware        |
| KKR-NYC SP GP MH LLC                                            | Delaware        |
| KKR-UWF Direct Lending GP LLC                                   | Delaware        |
| KKR-YUC GP Limited                                              | Cayman Islands  |
| Kohlberg Kravis Roberts & Co. (International) Partners LLP      | Delaware        |
| Kohlberg Kravis Roberts & Co. L.P.                              | Delaware        |
| Kohlberg Kravis Roberts & Co. Ltd                               | England & Wales |
| Kohlberg Kravis Roberts & Co. Partners LLP                      | England & Wales |
| Kohlberg Kravis Roberts & Co. SAS                               | France          |
| Kohlberg Kravis Roberts (España) Asesores SL                    | Spain           |
| Kohlberg Kravis Roberts GmbH                                    | Germany         |
| KRE Exchange Co-Invest GP LLC                                   | Delaware        |
| KRE C plus Finnish (Alfred) Co-Invest GP LLC                    | Delaware        |
| KRE Summer Co-Invest GP LLC                                     | Delaware        |
| KRE Summit Co-Invest GP LLC                                     | Delaware        |
| KSERIES USRPHC Holdings LLC                                     | Delaware        |
| Lightning 2021-1 KKR Investors L.P.                             | Ontario         |
| Lightning 2021-1 Holdings LLC                                   | Delaware        |
| Machine Investors GP Limited                                    | Cayman Islands  |
| Magic Investors GP LLC                                          | Delaware        |
| Magic Investors L.P.                                            | Delaware        |
| MCS Capital Markets Mastiff Investment Holdings GP LLC          | Delaware        |
| MCS Corporate Lending LLC                                       | Delaware        |
| Merchant Capital Solutions LLC Mastiff Investment Holdings L.P. | Delaware        |
| NAV Solar Holdco LLC                                            | Delaware        |
| New Omaha Co-Invest GP, LLC                                     | Delaware        |
| Olive Debt Aggregator A GP LLC                                  | Delaware        |
| Pacova Limited                                                  | Jersey          |
| Panamint Capital LLC                                            | Delaware        |
| Panamint Power LLC                                              | Delaware        |
| Panamint Renewable Energy Panther Investment Holdings GP LLC    | Delaware        |
| Rainier Co-Investments GP Limited                               | Cayman Islands  |
| Ranger (NZ) Pte. Ltd.                                           | Singapore       |
| Raptor Investment Aggregator LLC                                | Cayman Islands  |
| Raptor Investment Holdings GP LLC                               | Cayman Islands  |
| Renee Holding GP LLC                                            | Delaware        |
| Silverview Investments Pte. Ltd.                                | Singapore       |
| Silverview SG Holdings Pte. Ltd.                                | Singapore       |
| Spiral Holding GP S.à r.l.                                      | Luxembourg      |
| SRPSC India Pvt. Ltd.                                           | India           |
| Stellar Renewable Power LLC                                     | Delaware        |
| Stellar US Asset Co LLC                                         | Delaware        |
| Stellar US Employment Co LLC                                    | Delaware        |
| Stellar US Service Co LLC                                       | Delaware        |
| SY Investment GP LLC                                            | Delaware        |
| SY Investment GP 2 LLC                                          | Delaware        |

| Name                                     | Jurisdiction   |
|------------------------------------------|----------------|
| Stellar US Employment Co LLC             | Delaware       |
| Stellar US Service Co LLC                | Delaware       |
| Tailored Opportunistic Credit GP Limited | Cayman Islands |
| Tapioca View, LLC                        | Delaware       |
| TEA GP Limited                           | Cayman Islands |
| Thunderbird 2021-1 Holdings LLC          | Delaware       |
| Thunderbird 2021-1 KKR Investors L.P.    | Ontario        |
| TL 2021-1 Holdings LLC                   | Delaware       |
| The Global Atlantic Financial Group LLC  | Bermuda        |
| Uno Co-Invest GP LLC                     | Delaware       |
| Vector Asset Holdings LLC                | Delaware       |

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#### CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in (i) Registration Statement No. 333-169433 on Form S-1, as amended by Post-Effective Amendment No. 4 on Form S-3 dated May 31, 2022, (ii) Registration Statement No. 333-254609 on Form S-3ASR, as amended by Post-Effective Amendment No. 1 to Form S-3ASR dated May 31, 2022, (iii) Registration Statement No. 333-223202 on Form S-8, as amended by Post-Effective Amendment No. 2 on Form S-8 dated May 31, 2022, (iv) Registration Statement No. 333-230627 on Form S-8, as amended by Post-Effective Amendment No. 1 on Form S-8 dated May 31, 2022, relating to the consolidated financial statements of KKR & Co. Inc. and its subsidiaries (the "Company") and the effectiveness of the Company's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

/s/ Deloitte & Touche LLP

New York, New York

February 27, 2023 29, 2024

Exhibit 31.1

#### CO-CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Joseph Y. Bae, certify that:

- I have reviewed this Annual Report on Form 10-K for the period ended December 31, 2022 December 31, 2023 of KKR & Co. Inc.;
- Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

- (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2023 29, 2024

/s/ Joseph Y. Bae

Joseph Y. Bae

Co-Chief Executive Officer

Exhibit 31.2

#### CO-CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Scott C. Nuttall, certify that:

1. I have reviewed this Annual Report on Form 10-K for the period ended December 31, 2022 December 31, 2023 of KKR & Co. Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.



Date: February 27, 2023 29, 2024

/s/ Scott C. Nuttall

Scott C. Nuttall

Co-Chief Executive Officer

Exhibit 31.3

### CHIEF FINANCIAL OFFICER CERTIFICATION

I, Robert H. Lewin, certify that:

1. I have reviewed this Annual Report on Form 10-K for the period ended December 31, 2022 December 31, 2023 of KKR & Co. Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2023 29, 2024

/s/ Robert H. Lewin

Robert H. Lewin

Chief Financial Officer

Exhibit 32.1

**CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER**

**Pursuant to 18 U.S.C. §1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of KKR & Co. Inc. (the "Corporation") on Form 10-K for the period ended **December 31, 2022** **December 31, 2023** as filed with the Securities and Exchange Commission (the "Report"), I, Joseph Y. Bae, Co-Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: February **27, 2023** **29, 2024**

/s/ Joseph Y. Bae

Joseph Y. Bae

Co-Chief Executive Officer

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

**Exhibit 32.2**

**CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER**

**Pursuant to 18 U.S.C. §1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of KKR & Co. Inc. (the "Corporation") on Form 10-K for the period ended **December 31, 2022** **December 31, 2023** as filed with the Securities and Exchange Commission (the "Report"), I, Scott C. Nuttall, Co-Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: February **27, 2023** **29, 2024**

/s/ Scott C. Nuttall

Scott C. Nuttall

Co-Chief Executive Officer

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

**Exhibit 32.3**

## CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. §1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of KKR & Co. Inc. (the "Corporation") on Form 10-K for the period ended December 31, 2022 December 31, 2023 as filed with the Securities and Exchange Commission (the "Report"), I, Robert H. Lewin, Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: February 27, 2023 29, 2024

/s/ Robert H. Lewin

Robert H. Lewin

Chief Financial Officer

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

### Exhibit 97.1

#### KKR & Co. Inc.

##### Incentive Compensation Clawback Policy

**1. Overview.** The Board of Directors (the "**Board**") of KKR & Co. Inc. (the "**Company**" and, together with its subsidiaries, "**KKR**") has adopted this Incentive Compensation Clawback Policy (the "**Policy**") to comply with Section 303A.14 of the New York Stock Exchange Listed Company Manual (as such section may be amended from time to time, the "**Listing Rules**"). Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms under Section 12 of this Policy.

**2. Interpretation and Administration.** The Audit Committee of the Board (the "**Committee**") shall have full authority to interpret and enforce the Policy; provided, however, that the Policy shall be interpreted in a manner consistent with its intent to meet the requirements of the Listing Rules. As further set forth in Section 10 below, this Policy is intended to supplement any other clawback policies and procedures that the Company may have in place from time to time pursuant to other applicable law, plans, policies or agreements.

**3. Covered Executives.** The Policy applies to each current and former Executive Officer of the Company who serves or served as an Executive Officer at any time during a performance period in respect of which Incentive Compensation is Received, to the extent that any portion of such Incentive Compensation is (a) Received by the Executive Officer during the Company's last three completed fiscal years preceding the date that the Company is required to prepare a Restatement (regardless of whether any such Restatement is actually filed) and (b) determined to have included Erroneously Awarded Compensation. For purposes of determining the relevant recovery period referenced in the preceding clause (a), the date that the Company is required to prepare a Restatement under the Policy is the earlier to occur of (x) the date that the Board, a committee of the Board, or an Executive Officer of the Company (who is authorized to take such action if Board action is not required) concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement or (y) the date a court of competent jurisdiction, the U.S. Securities and Exchange Commission, or other legally authorized governmental body directs the Company to prepare a Restatement. Executive Officers subject to this Policy pursuant to this Section 3 are referred to herein as "**Covered Executives**."

**4. Recovery of Erroneously Awarded Compensation.** If any Erroneously Awarded Compensation is Received by a Covered Executive, the Company shall take steps reasonably promptly to recover such Erroneously Awarded Compensation in a manner described under Section 5 of this Policy.

**5. Forms of Recovery.** The Committee shall determine, in its sole discretion and in a manner that effectuates the purpose of the Listing Rules, one or more methods for recovering the full amount of any Erroneously Awarded Compensation hereunder in accordance with Section 4 above, which may include, without limitation: (a)

requiring cash reimbursement; (b) seeking recovery or forfeiture of any gain realized on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards; (c) offsetting the amount to be recouped from any compensation or other payment otherwise owed by KKR to the Covered Executive; or (d) cancelling outstanding vested or unvested equity awards. To the extent the Covered Executive

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refuses to pay to the Company an amount equal to the Erroneously Awarded Compensation, the Company shall have the right to sue for repayment and/or enforce the Covered Executive's obligation to make payment through the reduction or cancellation of outstanding and future compensation. Any reduction, cancellation or forfeiture of any compensation shall be done in compliance with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

**6. No Indemnification.** The Company shall not indemnify any Covered Executive against the loss of any Erroneously Awarded Compensation for which the Committee has determined to seek recoupment pursuant to this Policy.

**7. Exceptions to the Recovery Requirement.**

(A) Notwithstanding anything in this Policy to the contrary, Erroneously Awarded Compensation need not be recovered pursuant to this Policy if a majority of the Independent Directors of the Board determines that recovery would be impracticable to the extent permitted by the Listing Rules or applicable law, including as a result of any of the following:

- i. the direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered (provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on expense of enforcement, the Company must make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt to recover, and provide that documentation to the Exchange); or
- ii. recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

(B) Notwithstanding anything in this Policy to the contrary and unless otherwise prohibited by the Listing Rules, to the extent this Policy provides for recovery of Erroneously Awarded Compensation already recovered by the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002, the amount of Erroneously Awarded Compensation already recovered by the Company from the recipient of such Erroneously Awarded Compensation may be credited to the amount of Erroneously Awarded Compensation required to be recovered pursuant to this Policy from such person.

**8. Committee Determination Final.** Any determination by the Committee with respect to the Policy shall be final, conclusive and binding on all interested parties.

**9. Amendment.** The Policy may be amended by the Board from time to time, to the extent permitted under the Listing Rules.

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**10. Non-Exclusivity.** Nothing in the Policy shall be viewed as limiting the right of the Company or the Committee to pursue additional remedies or recoupment under, or as required by, any similar policy adopted by the Company or under the Company's compensation plans, award agreements, employment agreements or similar agreements or the applicable provisions of any law, rule or regulation which may require or permit recoupment to a greater degree or with respect to additional compensation as compared to this Policy (but without duplication as to any recoupment already made with respect to Erroneously Awarded Compensation pursuant to this Policy). This Policy shall be interpreted in all respects to comply with the Listing Rules.

**11. Successors.** The Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.

**12. Defined Terms.**

"Covered Executives" shall have the meaning set forth in Section 3 of this Policy.

**"Erroneously Awarded Compensation"** shall mean the amount of Incentive Compensation actually Received that exceeds the amount of Incentive Compensation that otherwise would have been Received had it been determined based on the restated amounts, and computed without regard to any taxes paid. For Incentive Compensation based on stock price or total shareholder return, where the amount of erroneously awarded Incentive Compensation is not subject to mathematical recalculation directly from the information in a Restatement:

- (A) The calculation of Erroneously Awarded Compensation shall be based on a reasonable estimate of the effect of the Restatement on the stock price or total shareholder return upon which the Incentive Compensation was Received; and
- (B) The Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the Exchange.

**"Exchange"** shall mean the New York Stock Exchange.

**"Executive Officer"** shall mean the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company, in each case, as identified by the Company under Item 401(b) of Regulation S-K. Executive officers of the Company's subsidiaries shall be deemed executive officers of the Company if they perform such policy making functions for the Company. The term "policy-making function" does not include policy-making functions that are not significant.

**"Financial Reporting Measures"** shall mean measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures, which includes stock price and total shareholder return (in each case, irrespective of whether such measures are presented within the Company's financial statements or included in a filing with the

Securities and Exchange Commission).

**"Incentive Compensation"** shall mean any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure, and may include cash bonuses and equity incentive awards issued pursuant to the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (and any successor plans). Incentive Compensation does not include (i) equity incentive awards that are granted, earned or vested exclusively upon completion of a specified employment period or without any performance condition, (ii) cash bonus awards that are discretionary or based on subjective goals or goals unrelated to Financial Reporting Measures, or (iii) allocations of carried interests through KKR Associates Holdings L.P. (or similar entities established for the purpose of allocating carried interests) utilizing current or comparable methodologies in effect as of the date hereof. Compensation amounts shall not be considered "Incentive Compensation" for purposes of the Policy unless such compensation is Received on or after October 2, 2023 (which is the effective date of the Listing Rules).

**"Independent Director"** shall mean a director who is determined by the Board to be "independent" under the rules of the Exchange, as of any determination date.

**"Listing Rules"** shall have the meaning set forth in Section 1 of this Policy.

**"Received"**, in the context of the timing of the receipt of Incentive Compensation, shall be deemed to mean the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of the Incentive Compensation occurs after the end of that period.

**"Restatement"** shall mean a restatement of the Company's previously issued financial statements due to the material noncompliance of the Company with any financial reporting requirement under United States federal securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the Company's previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

**Adopted on: November 6, 2023**

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