KKR

# 2025 Sustainability Report

How we protect capital and create value by integrating sustainability in our investment activities

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# About KKR

KKR & Co. Inc. is 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. KKR's insurance business is operated by Global Atlantic, a leading retirement and life insurance company that supports policyholders in achieving their retirement and financial goals.

**Our Values**

Pursue Excellence

We are Always Looking to raise the bar — including learning from any mistakes — to deliver the best outcomes.

Earn Like & Trust Every Day

Our word is our bond, and we live by the golden rule.

Stay Curious, Be Creative

We don't rest on our laurels and are constantly striving to unlock possibilities and new ways of creating value for those counting on us.

Work Together

Partnership is in our DNA. We accomplish more when we don't care who gets credit.

Remember, People are Counting on Us

We are responsible to all our stakeholders and each other. We aim to leave everything better than we found it.

"Fifty years ago, we sketched our vision for KKR on a napkin — a place where everyone would participate, own the outcome, and succeed together. That founding belief has carried us forward every day since. As we celebrate our 50th anniversary in 2026, what endures is the strength of our values: the pursuit of excellence, the trust we earn daily, and the knowledge that millions of people are counting on us to deliver."

**George Roberts and Henry Kravis**

Co-Founders and Co-Executive Chairmen

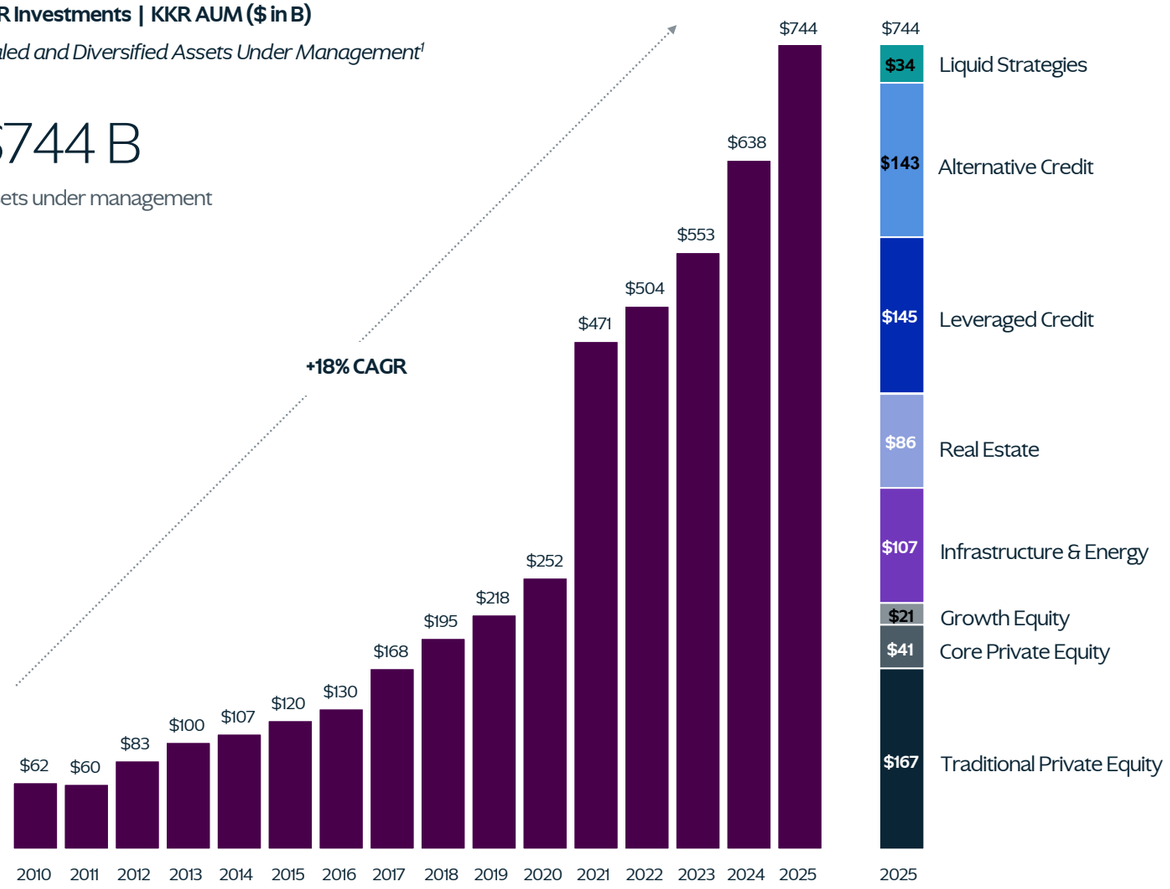
# KKR at a Glance

**KKR Investments | KKR AUM ($ in B)**

*Scaled and Diversified Assets Under Management*[1]

## $744 B

assets under management




**Our Capital Commitment**[2]

Approximately

## $30 B

invested in or committed to our own funds and portfolio companies, including approximately

### $15 B

of capital funded from our balance sheet

### $10 B

of additional capital committed by our balance sheet to our investment funds and other investment vehicles

### $4 B

funded from personal investments

### $1 B

of additional capital commitments from personal investments

**Our Portfolio**

## 940K+

employees across 299 portfolio companies[3]

**Our Investors**

## 65

countries covered by our investor base[4]

[1]KKR & Co. Inc., **Overview Presentation - 4Q'25**, 2026. Growth Equity is inclusive of our Global Impact strategy.
[2]KKR & Co. Inc., **Annual Report on Form 10-K (2025 10-K)**. See **Cautionary Statement** for information about non-GAAP measures and other important information relating to non-GAAP and other operating and performance measures used by management in making operational and resource deployment decisions as well as assessing the performance of KKR & Co. Inc.'s business for the year ended December 31, 2025.
[3]Includes portfolio companies across KKR's Private Equity, Infrastructure, select Energy, and Credit investments for which KKR collects workforce data.
[4]KKR & Co. Inc., **Annual Report on Form 10-K (2025 10-K)**.

# A Note From Our Co-CEOs

2025 was marked by global volatility and complexity, but also by the opportunities such environments can create. In moments like these, we believe what matters most is staying grounded — in our responsibility as long-term stewards of our clients' capital, in the long-term focus and collaborative mindset that define our firm, and in the discipline to keep doing the work that compounds over time.

Sustainability is a key lever in how we protect capital and create value across KKR. In 2025, we continued to focus on a business-first, materiality-driven approach, prioritizing the issues with the greatest potential to improve performance and resilience over time. That meant deploying capital behind high-conviction themes with durable demand — from the energy transition to workforce development — and deepening portfolio-wide engagement on topics like employee ownership, physical climate risk, and operational resilience.

We also looked inward. We implemented a new organizational model to deepen alignment with business unit priorities, including the appointment of our partner, Emmanuel Lagarrigue, as our new Head of Sustainability — reinforcing our conviction that thoughtfully integrating material sustainability considerations into our investment activities can support value creation, inform better decision-making, and contribute to the growth and scaling of our platforms.

As we celebrate 50 years as a firm, we remain focused on the work ahead and on our responsibility to deliver outcomes for the people who count on us: our clients, portfolio company employees, policyholders, shareholders, and communities. That is our why.

**Scott Nuttall and Joseph Bae**
Co-Chief Executive Officers

"In today's environment, a materiality-driven approach and a focus on the long term continue to define how we deliver for our clients and companies."

**Sustainability at KKR**

**As we look outward, we aim to protect capital and create value for our investors by...**

- Enhancing decision-making by integrating material sustainability risks and opportunities into the investment process
- Driving operational excellence by working with our portfolio companies to strengthen management of material sustainability topics
- Deploying dedicated resources and capital behind key sustainability themes

**As we look inward, our focus on sustainability comes to life in the way we...**

- Advance responsible business practices and act with integrity
- Cultivate talent, foster an inclusive environment, and deliver excellence
- Manage our environmental footprint
- Act as responsible corporate citizens in our communities

# A Note From Our Head Of Sustainability

**Emmanuel Lagarrigue**
Global Co-Head of KKR's Climate Transition Strategy and Head of Sustainability

We have always viewed sustainability as a lever for protecting our clients' capital and creating value over time. As our platform continues to grow, in early 2026, I was asked by the partnership to take on an expanded role as KKR's Head of Sustainability, while continuing to serve as Global Co-Head of our Climate Transition strategy. In this role, I work closely with our business and regional leaders to advance firm-wide sustainability efforts with a clear focus on business-aligned outcomes.

In conversations with investors and management teams, a consistent set of questions has emerged, reflecting an emphasis on how sustainability integration shows up in practice. Here are five questions we hear most often, and how we think about them.

## Five Questions We Are Hearing About Sustainability

**1. How do you navigate a complex and quickly evolving sustainability landscape?**

We approach sustainability integration the same way we approach any investment decision: through a materiality lens.

For us, this is not a box-checking exercise. It starts with our commitment to protect capital and create value for our clients and consists of identifying what is most important to a business and its long-term performance.

That requires context. Priorities are shaped by sector dynamics, regional regulation, externalities, risks, and stakeholder expectations, all of which continue to evolve. Staying close to those shifts is a key part of our work.

We maintain a consistent global strategy but apply it with local nuance. Depending on the region of the world, sustainability discussions can be driven by regulation and transparency expectations; by commercial considerations, such as export competitiveness and customer requirements; and/or by operational drivers, including human capital management and physical climate risk.

Regular engagement with investors, shareholders, and the communities where we operate helps us keep that perspective current.

Read more about our approach to **Stakeholder Engagement**.

**2. Can sustainability and strong financial performance go hand-in-hand, and how is value created during ownership?**

In our experience, the two are closely aligned.

A materiality-driven approach supports risk management and long-term growth by focusing on the sustainability factors that matter most. For example, this may involve assessing the impact of extreme weather on real estate assets, evaluating consumer lending practices within financial services investments, or monitoring health and safety performance across infrastructure assets. Managing these risks and opportunities helps reinforce resilience while often revealing practical ways to improve how a business operates — from lowering costs to strengthening employee engagement and efficiency.

During our ownership, we focus on improving material topics identified during diligence — such as employee engagement, physical climate risk, and the understanding and mitigation of externalities — and embedding these priorities into day-to-day execution through data, resources, and ongoing engagement with management teams, where applicable. These efforts are built into value creation plans and often drive operational performance, new revenue opportunities, and stronger talent outcomes.

Read more about how these efforts are applied in practice in **Examples Across Our Portfolio**.

At the same time, understanding and managing risks remains central. Many of the same factors that create opportunity also influence how a business performs under stress, whether through operational disruption, cost volatility, or changing market expectations.

Taken together, this work helps translate these priorities into practical actions that strengthen both day-to-day performance and long-term positioning.

**3. How does sustainability show up in investment decisions?**

It is embedded throughout the investment life cycle, from diligence to exit.

Before an investment, we assess how sustainability-related factors could affect performance over time. That includes identifying both potential risks and opportunities in the context of the specific asset, sector, and geography.

One example is physical climate risk. We look at how hazards such as extreme weather, flooding, or heat stress could affect operations, supply chains, or costs. These considerations can influence underwriting assumptions and help shape how we think about long-term value.

After an investment, the focus shifts to execution. We assess exposure and, where appropriate, work with portfolio companies to evaluate existing mitigation measures and identify ways to strengthen resilience where it matters most.

This work is owned by our investment teams and supported by dedicated sustainability professionals who help ensure these considerations remain integrated into how decisions are made and managed. Our Responsible Investment Policy articulates this approach, providing a clear framework for how sustainability considerations are integrated across asset classes.

Read more in **Highlights By Business**.

**KKR's Responsible Investment Policy**

**4. How do you approach data collection?**

We focus on data that helps inform decisions. Each year, we collect sustainability data across our portfolio companies, which provides consistent, comparable sustainability insights. This data is used to support investment decision-making, portfolio engagement, regulatory reporting, and overall capital protection.

Our approach is grounded in materiality, with a focus on indicators that can help inform action and influence outcomes. Certain metrics, such as financed emissions, help us understand where to prioritize engagement, particularly for higher-emitting assets. Other operational data points can highlight opportunities to improve efficiency, reduce costs, and strengthen performance.

We aim to keep that balance by ensuring there is enough rigor to support decision-making while focusing on what is most useful in practice.

Read more about how we leverage data for more informed decision-making in **Portfolio Engagement**.

**5. Where are you seeing the biggest opportunities ahead?**

In my role as Global Co-Head of KKR's Climate Transition strategy, I spend a lot of time looking at where long-term demand is emerging and how that connects to investment opportunity.

We are seeing strong momentum in areas tied to the physical economy. This includes the electrification of transportation and heat, improving energy efficiency in data centers, and strengthening the reliability of energy systems. These trends are shaped by growing demand for energy security, affordability, and sovereignty, while creating value for our investors.

Deploying capital into assets and businesses that support decarbonization, resource efficiency, and more reliable energy systems remains a key area of focus across our strategies. Our Global Impact team recently exited an investment in CoolIT, a company focused on improving energy efficiency in data centers, generating approximately 15x the original equity invested — one of KKR's largest recent realizations. The business helps reduce energy and water use in high-performance computing environments, a clear example of how improving resource efficiency can create value.

Read more about the CoolIT announcement and watch the video on **kkr.com**.

We are also seeing opportunities in real estate, where improving building efficiency and performance can contribute to both cost savings and long-term asset quality. For example, within Robin, our UK hospitality portfolio, we implemented a targeted program of energy efficiency and sustainability initiatives aimed at reducing energy use, enhancing asset resilience, and improving energy performance certificate (EPC) performance, while also generating attractive financial returns.

Read more about **Examples Across Our Portfolio**.

Ultimately, our focus remains consistent: applying a disciplined, materiality-driven approach to manage risk, support performance, and create long-term value, with an emphasis on opportunities where sustainability helps drive tangible business outcomes.

# 2025 Highlights

## 15th

Year of publicly reporting KKR's sustainability efforts since our first report in 2011

### Investing In Ownership Cultures

## 80+

portfolio companies with broad-based ownership programs implemented for 180,000+ non-senior management employees, awarding billions of dollars in equity since 2011,[5] including

## 21

new broad-based ownership programs launched in 2025

## 11

full exits of companies with broad-based ownership programs since 2015

## 31

companies offer dedicated financial coaching programs

## 31

companies have employee assistance funds that have provided hardship grants to 2,300+ employees

## 50+

companies worked with KKR to assess and identify opportunities to enhance retirement and medical benefits

### Creating Value Through Sustainability

## $68+ B

in sustainability-focused investments since 2010,[6] including

## $52+ B

in climate and environmental sustainability investments

## $11+ B

in workforce and education investments

### Supporting Our Portfolio

## 80+

portfolio companies across 20+ countries including 140+ attendees participated in our Sustainability Regulatory webinar series

### Enhanced portfolio resources, including:

- Cross-portfolio tools to support renewable energy access and energy efficiency cost savings
- Guidance and forums to help navigate evolving regulations
- Executive workshops focused on empathetic leadership, financial well-being, and other workplace practices
- Expanded programming on healthcare cost management and the application of AI in human capital functions
- Monthly newsletters and "coffee chats" for executives

[5]Cumulative figures including active and exited portfolio companies with ownership programs covering 100% of full-time employees, typically with opportunities to earn over six months' worth of salary.
[6]Includes capital invested in or committed to sustainability-focused investments from 2010 to December 31, 2025 by KKR funds and syndicated co-investments (including Global Atlantic's sustainability-focused investments from 2015 to December 31, 2025). For purposes of this disclosure, sustainability-focused investments are investments that KKR has identified as aligned with one or more sustainability-focused industries or activities, as informed by third-party frameworks and Global Industry Classification Standard (GICS) sub-industries, including: climate, environmental sustainability, education, workforce, cybersecurity and privacy, and inclusion.

# About This Report

At KKR, we aim to disclose high-quality, relevant information as part of our annual sustainability reporting efforts, a commitment we have upheld since publishing our inaugural report in 2011.

**KKR's 2025 Sustainability Reporting Suite**

Our reporting suite, published in June 2026, documents activities and includes performance data for calendar year 2025, unless otherwise specified. Where noted, we also include our progress and planned activities for 2026.

Updates on our sustainability-related activities across our investments and operations can be found across the documents listed to the right.

Read more on our website at **kkr.com/sustainability**.

**KKR's 2025 Sustainability Reporting Suite**

**Sustainability Report**

A summary of our sustainability-related efforts and progress across our investment activities, including:

- Portfolio engagement and examples
- Highlights by business
- Sustainability-related investment opportunities

**Corporate Sustainability Disclosures**

Supplementary disclosures on various KKR-level operational sustainability topics, including:

- Governance and business ethics
- Human capital
- Operational footprint
- Data responsibility
- Corporate citizenship

**TCFD and SASB Annex**

Responses and/or locations of information addressing the guidelines of the TCFD and SASB Standards

**Global Impact Summary**

An overview of our Global Impact investment strategy and recent highlights drawn from our full Global Impact Report, which is provided to our fund investors

**How to Navigate This Document**

To simplify navigation and communication of our activities and performance, this report provides:

- Links to other resources within our sustainability reporting suite and content on kkr.com
- Links to external documents or sites
- References to disclosures aligned with the SASB Standards

Our **Glossary** lists key terms used in this report and aims to provide clarity on our interpretations and definitions of certain terms and concepts.

# Sustainability In Our Investment Process

We take a highly collaborative approach to advancing sustainability across our investment activities. Senior leadership provides oversight of our firm-level strategy, while teams across KKR contribute to its development and day-to-day implementation. We continuously refine our approach to reflect emerging issues, evolving best practices, and input from key stakeholders.

The following section outlines our sustainability integration approach and oversight, and highlights key stakeholder engagement activities in 2025.

# Integrated, Materiality-driven Approach

At KKR, we view sustainability as a key lever in fulfilling our responsibility as long-term stewards of our clients' capital. Grounded in 50 years of investing, we take a business-first, materiality-driven approach — using sustainability as one of many tools to protect capital and create value, shaping how and where we invest.

We pursue several strategies to preserve and build long-term value:

- Enhancing decision-making by integrating material sustainability risks and opportunities into the investment process
- Driving operational excellence by working with our investments to strengthen management of material sustainability topics
- Deploying dedicated resources and capital behind key sustainability themes

These strategies are all underpinned by our relentless focus on transparency and stakeholder engagement efforts.

This report covers progress updates on key initiatives, highlights, and case studies related to these focus areas.

We recognize that each capital allocation decision has a unique set of material, business-relevant sustainability-related opportunities and risk factors, such as the company's or asset's industry, its stakeholders, and where it operates. When we refer to the consideration of sustainability topics in the investment process, we take a broad definition, which may include how a company manages its operational footprint, engages its workers, upholds effective governance, and manages externalities.

We seek to constantly refine our approach and to work with our portfolio companies, real estate assets and operators, and, where relevant, sponsors to strengthen management of material topics.

Read more in **Highlights By Business**.

Referencing select global sustainability frameworks and standards in our investment processes helps inform our thinking as we develop our own approaches. For example, when identifying sustainability factors that may be material to an investment, we consider the industry-specific Sustainability Accounting Standards Board (SASB) Standards as one input. We also refer to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations to guide our consideration of climate-related management and governance practices in the capital deployment process.

**KKR's 2025 TCFD and SASB Annex**

### Sustainability Integration and Engagement at KKR: Our Focus Areas to Protect Capital and Create Value

**Guiding Principles**

| Materiality-driven | Integrated | Informed and Collaborative |
|---|---|---|

**How We Invest: Integrating Sustainability Across The Investment Life Cycle**

**Diligence and Underwriting**

- Assess material sustainability risks and opportunities
- Integrate relevant findings into diligence, underwriting, and investment decisions

**Ownership and Engagement**

- Monitor and engage with investments on material sustainability risks and opportunities
- Track results and support continuous improvement

**Where We Invest: Putting Sustainability To Work Across Our Portfolio**

**Cross-Portfolio Resources**

Dedicated expertise, programs, and tools across sustainability topics, including:

- Employee engagement and broad-based ownership
- Physical climate risk assessment and resilience
- GHG measurement and decarbonization
- Cybersecurity and data responsibility

**Thematic Investing**

Capital deployment behind high-conviction themes with durable demand, including:

- Energy transition
- Workforce development

Dedicated investment strategies within:

- Private Equity → Global Impact
- Infrastructure → Global Climate Transition

| Key Tools | Key Enablers |
|---|---|
| Responsible Investment Policy | Stakeholder Engagement |
| Gating Issues | Data and Reporting |

### KKR's Responsible Investment Policy

Our Responsible Investment Policy[7] outlines KKR's framework for integrating material sustainability considerations across the investment life cycle, from pre-investment evaluation through post-investment stewardship and engagement. While this approach applies globally, the way these considerations are applied may vary by asset class, investment, and level of influence.

We last updated this policy in 2025 to reflect our latest practices and initiatives, including updates to our sustainability governance structure and the inclusion of our Insurance business under the policy.

KKR's Responsible Investment Policy

# Governance

To govern our sustainability integration efforts, we take a highly collaborative approach, with accountability for KKR-level strategy development, implementation, and oversight responsibilities embedded throughout KKR.

Read more about our **Sustainability Integration efforts** and roles and responsibilities.

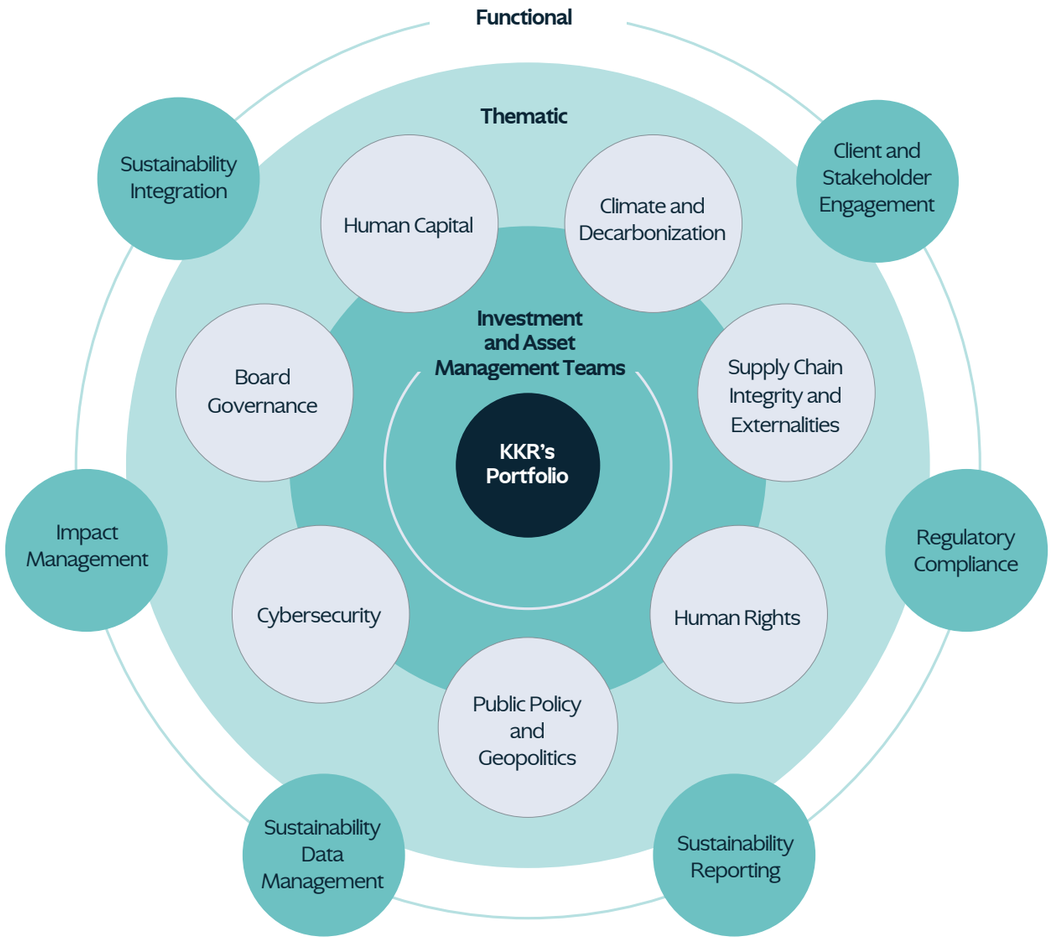
| | KKR-level Strategy | | Implementation | |
|---|---|---|---|---|
| **Oversight** | **KKR & Co. Inc. Board** | **KKR Leadership** | **Investment Committees** | **Portfolio Management Committees** |
| **Accountability** | Sustainability Professionals | | Investment and Asset Management Professionals | |
| **KKR Receives Input From** | Sustainability Operating Committee | | KKR Capstone | Sustainability Professionals |
| | Global Public Policy & Affairs, KKR Global Institute, Global Macro & Asset Allocation | | | |
| | Legal & Compliance | | | |
| | Other internal Subject-Matter Experts (SMEs) and External Advisors | | | |

*For illustrative purposes*

[7]This policy applies globally across asset classes to certain assets managed by KKR in its Private Equity, Real Assets, Credit, and Insurance businesses. Assets managed by sub-advisors to KKR's Insurance business are excluded from this policy. Refer to the **Cautionary Statement** for important disclosures regarding KKR's sustainability-related initiatives, policies, and procedures.

### Sustainability-related Expertise Our Teams Bring to Support the Investment Process

KKR's Sustainability professionals are seamlessly integrated across teams, providing direct support to our investment professionals and portfolio companies. Our one-firm approach leverages a robust network of resources, spanning various sectors, investment platforms, nonprofit organizations, and technical experts.



# Stakeholder Engagement

Stakeholder engagement is central to our sustainability strategy, enabling us to inform and refine our approach to deliver better outcomes. We actively seek feedback from and engage with a range of stakeholder groups, including clients, shareholders, portfolio companies, industry groups, policymakers, and regulators.

The following engagements provide examples from 2025 where we sought to create forums to understand the needs, interests, and concerns of stakeholders and share insights to foster knowledge sharing and best practices.

**Fostering Dialogue Across Our Client Network**

In 2025, we expanded our client engagement efforts through direct dialogue with capital allocators across the Americas, Europe, and Asia Pacific, including pension funds, insurance companies, sovereign wealth funds, and other institutional investors. These discussions provided insights into regional perspectives on sustainability and value creation and protection, and offered useful feedback as we work to identify ways to better deliver for our clients. Some of the key focus areas and themes included:

- Exploring how the regulatory landscape, industry priorities, and sustainability expectations are increasingly varied across regions, and what that means for clients operating in multiple regions. Evolving regulations and local government priorities are also playing a role in shaping our clients' investment allocations and their sustainability expectations of asset managers. These discussions reinforced the importance of pairing KKR's global reach and strategy with regionally specific approaches, where relevant, focusing on what we believe is most material and value additive in each region.
- Assessing how geopolitical and public policy trends continue to shape the operating environment for our business, including considerations related to energy affordability and security, AI-driven data infrastructure demand, evolving approaches to workforce development and lifelong learning in the context of income inequality, and shifting trade dynamics. As global sustainability-related risks and opportunities can intersect with geopolitical factors, KKR's continued focus on stakeholder engagement has helped inform how we navigate these dynamics and support our role as a trusted partner to our clients.
- Reinforcing sustainability as a long-standing element of KKR's capital preservation and value creation approach, with a focus on practical implementation. This has emphasized the importance of evidence-based approaches that aim to translate sustainability initiatives into financial outcomes, including reduced employee turnover, increased cost savings from energy efficiency measures, expansion into new product lines, and access to new customers and markets. It has also highlighted the importance of continuing to strengthen the quantification of sustainability data, including enhancing client access to information and supporting greater alignment around relevant industry metrics.

We look forward to building on these dialogues in 2026, further refining our approach across geographies and continuing to learn from our client network.

Eric Mogelof, Head of Global Client Solutions, speaks at KKR's 2025 Americas Investors' Meeting.

**Regional Perspectives**

As regulatory landscapes evolve across regions, alongside geopolitical complexity and shifting client expectations, KKR continues to view sustainability as a key driver of capital preservation and value creation. Our approach is anchored in a consistent, globally applied framework grounded in materiality. In each region where we operate, we pursue strategies we believe to be value-maximizing given the local operating environment — including regulatory dynamics, market conditions, and stakeholder expectations.

We deepen this approach through ongoing engagement with clients, portfolio companies, and other stakeholders. This dialogue helps us better understand regional nuances and informs how we apply our strategy in practice, including the examples outlined in this section.

Across regions, we remain committed to working alongside our clients and companies as a strategic partner, helping to navigate evolving sustainability dynamics and turn them into long-term value creation opportunities.

Members of the Global Client Solutions team at KKR's 2025 Americas Investors' Meeting.

## Americas

Across the Americas, several themes continue to emerge as areas of focus in stakeholder discussions, reflecting an expanded view of sustainability considerations.

Human capital management remains central, with factors such as employee engagement, workplace culture, and financial well-being viewed as key drivers of operational resilience and long-term performance. As certain investors introduce formal workforce or labor principles, KKR continues to refine our approach to workforce strategy across the portfolio, including expanding the work of the KKR Human Capital Center and broadening its focus to areas such as financial resilience. In parallel, KKR continues to engage with investors on our employee engagement approach and share insights from leadership development efforts.

Physical climate risk remains an important area of focus, particularly in sectors and geographies more exposed to extreme weather and potential infrastructure disruption. We believe that gaining deeper insights into extreme weather and natural hazard risk information relevant to underlying investments supports informed investment decision-making and strengthens investor engagement. In 2025, approximately 30 portfolio companies across the Americas conducted physical climate risk assessments, supported by KKR standardized tools and resources. These assessments helped companies evaluate potential risks, assess mitigation measures, and prioritize risk management actions, where material.

**Highlights**

15 years implementing broad-based employee ownership programs within our U.S. Private Equity portfolio

~30 portfolio companies across the Americas conducted physical climate risk assessments, supported by KKR standardized tools and resources

**Portfolio Spotlights**

- **Integrated Specialty Coverages**: Strengthening Culture and Engagement to Support Business Performance
- **o9 Solutions**: Embedding Sustainability to Enhance Decision-making in Enterprise Planning

Philippe De Backer and Ken Mehlman speak at KKR's 2025 Europe Investors' Meeting.

## Europe

Across Europe, sustainability discussions are shaped largely by the region's evolving regulatory landscape and rising expectations for transparency and accountability, creating both new requirements and opportunities for companies to build competitive advantage.

European markets are experiencing significant policy development and evolving sustainability disclosure standards, shaping not only compliance requirements but also the competitive landscape for companies.

As portfolio companies increasingly report standardized sustainability data, they are being assessed by stakeholders on both financial and non-financial performance. This dynamic is prompting companies to strengthen their data capabilities and integrate sustainability considerations into core strategy and decision-making — not only for compliance, but to compete in a more transparent and comparable environment.

At KKR, we're supporting our portfolio companies in building these capabilities — strengthening data and reporting processes to help them navigate this evolving landscape and sustain long-term competitiveness and value creation.

### Highlights

~25 portfolio companies across 9 countries attended KKR's Europe Sustainability Summit in London in April 2026, focused on navigating sustainability-related risks and unlocking value creation opportunities

Read more on KKR Insights, "**Separating the Signal from the Noise: A Disciplined Approach to Value Creation**."

### Portfolio Spotlights

- **Zenobē**: Enabling Cost-effective Electrification and Grid Resilience
- **Robin**: Increasing Resilience in Hospitality Assets Through Sustainability Initiatives
- **The Citation Group**: Strengthening Workforce and Compliance Practices for SMEs
- **Infobric**: Enhancing Construction Site Safety and Labor Transparency
- **Dawsongroup**: Decarbonizing Asset Leasing and Mobility
- **EGC**: Advancing Energy Efficiency Across Germany's Built Environment

## Asia Pacific

Across Asia Pacific, sustainability-related engagement is shaped by the region's distinct market dynamics — particularly export competitiveness, customer requirements, and alignment with global regulatory frameworks.

KKR's experience suggests that investors and portfolio companies in the region are increasingly focused on implementation closely tied to commercial outcomes — prioritizing supply chain transparency, decarbonization tied to customer demand, and cost competitiveness, while navigating financing pressures, broader commercial considerations, and evolving sustainability-related regulations. In many cases, this is driven by increasing expectations from customers, where sustainability performance from supplier sustainability ratings such as EcoVadis and CDP can influence procurement decisions.

Engagement practices also reflect regional variation, with markets like Japan and Australia advancing formal reporting regimes, while parts of Southeast Asia are continuing to develop earlier stage frameworks.

In 2025, we emphasized localized, value-linked sustainability integration, supported by regulatory guidance and other targeted resources.

### Highlights

Piloted initiatives to support portfolio companies in Asia Pacific focused on physical climate risk, decarbonization, energy efficiency, and safety, prioritizing companies with higher energy use, regulatory exposure, or safety risks

Supported the launch of Ownership Works' first international affiliate in Japan

### Portfolio Spotlights

- **LOGISTEED**: Advancing Supply Chain Resilience Through Decarbonization
- **Forum Engineering**: Expanding Access to Engineering Careers in Japan's Manufacturing Sector
- **CleanPeak Energy**: Delivering Reliable and Renewable Power Solutions for Commercial and Industrial Customers

Members of Asia Pacific senior leadership speak at KKR's 2025 Americas Investors' Meeting.

# Protecting and Creating Value Through Sustainability

We believe that effectively managing material sustainability topics — such as climate-related risks and opportunities, health and safety, data security, and workforce development — can enhance business performance and resilience in a rapidly changing world.

Across our portfolio, we work with our investments to strengthen management of these priorities in ways that support long-term capital protection and value creation.

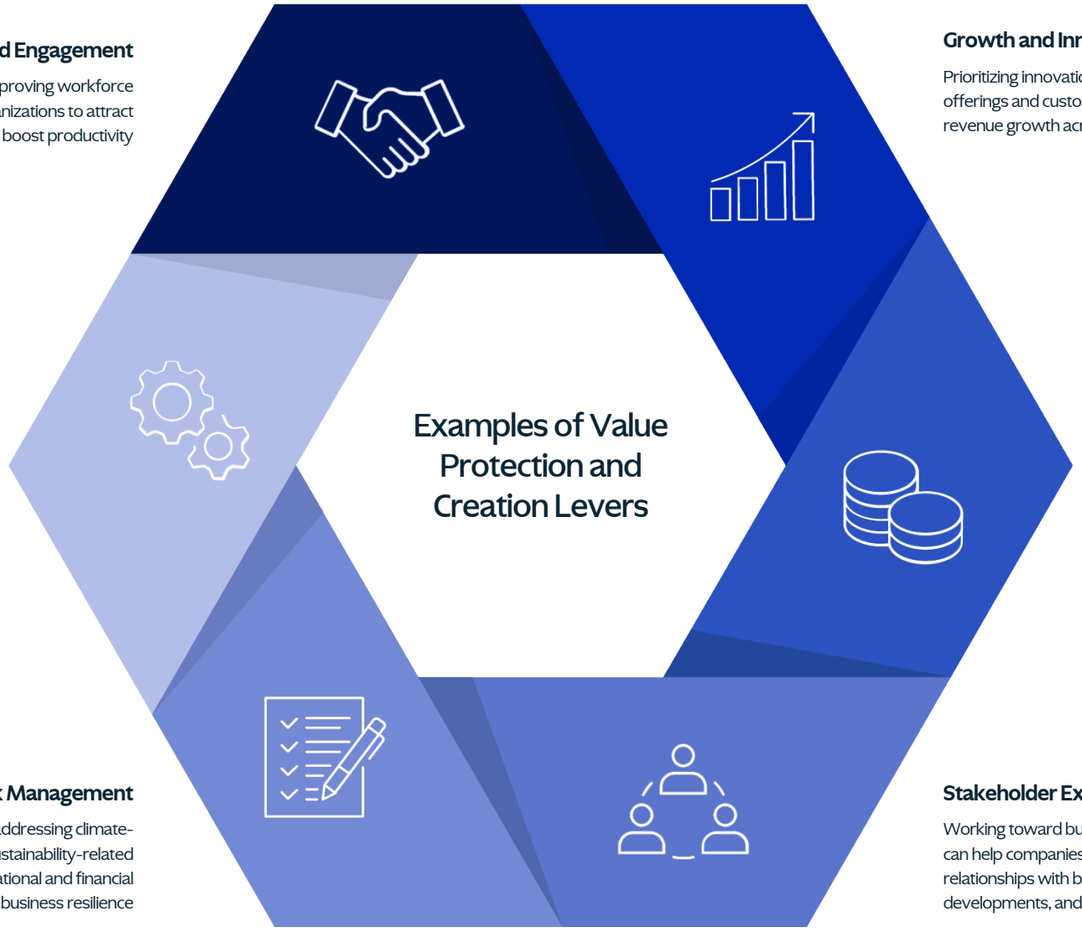
The following section outlines how we put this into practice, highlighting examples of sustainability management from across our portfolio.

# Our Approach

We believe that effective sustainability management is a key lever in our value protection and creation toolkit, alongside other levers such as operational improvements, business expansion, and digital transformation.

Our experience supporting companies in managing their material sustainability topics has revealed several pathways for sustainability-driven value protection and creation. For example, adopting energy efficiency measures can lead to reduced operational costs; fostering an engaged and inclusive workplace helps attract and retain top talent and promote a culture of high performance; and expanding sustainable product offerings can help companies meet evolving customer demands and increase sales.

As a multi-strategy investment firm with a global portfolio, we recognize the multifaceted nature of sustainability risks and opportunities. The value protection and creation levers discussed in this section are not mutually exclusive or exhaustive, but rather examples of interconnected strategies that we believe help improve business performance.




**Culture and Engagement**

Prioritizing culture and improving workforce engagement can enable organizations to attract and retain top talent and boost productivity

**Growth and Innovation**

Prioritizing innovation by strengthening sustainable product offerings and customer value propositions can help unlock revenue growth across B2B and B2C markets

**Operational Efficiency and Performance Improvement**

Optimizing resource usage and streamlining processes can lower operational costs, leading to increased savings and productivity

**Financing and Access to Capital**

Companies with strong sustainability management practices are more attractive to certain investors, often leading to lower financing costs, accessing broader pools of capital, or better meeting investor demand

**Risk Management**

Strengthening health and safety practices, addressing climate-related risks, and complying with sustainability-related regulatory demands can reduce operational and financial exposure and support long-term business resilience

**Stakeholder Expectations**

Working toward business-relevant sustainability priorities can help companies meet customer expectations, strengthen relationships with business partners, adapt to regulatory developments, and protect their license to operate

# Portfolio Engagement

### KKR's Cross-portfolio Thematic Areas

Since formalizing our approach to sustainability management in 2008 — grounded in capital preservation and value creation — we have focused on supporting our portfolio companies, real estate assets and operators, and, where relevant, sponsors to strengthen management of material topics.

Building on nearly two decades of experience, we have identified several thematic areas where we believe we can provide meaningful support to help our portfolio enhance value while mitigating risk. In these areas, KKR has developed dedicated expertise, programs, and resources designed to support performance, available to our investments where applicable, and implemented based on materiality and individual company's needs and priorities.

Read more on our approach to **Engagement** on sustainability topics across our portfolio.

**Examples of Cross-portfolio Sustainability Resources**

| THEMATIC AREAS | | POTENTIAL APPLICABILITY | KKR SUPPORT: TOOLS AND CAPABILITIES |
|---|---|---|---|
| **Management and Governance** | Sustainability strategy and issue prioritization | Companies strengthening their sustainability governance, clarifying material topics, or formalizing their approach to managing risks and opportunities | How to adopt an appropriate governance framework for overseeing material risks and opportunities, supported by board- and executive-level accountability, clear performance metrics, and defined ownership |
| **Human Capital** | Employee engagement and ownership | Companies seeking to enhance workforce engagement, strengthen retention, or further align employee incentives with long-term value creation | How to build high-engagement workplaces that can empower employees to lead and grow, with the goal of promoting stronger alignment with performance and long-term value creation |
| | Workplace safety | Companies with operational environments where employee or contractor safety is a material business consideration | How to manage operational safety risks, strengthen accountability, and promote a culture of safety |
| **Climate** | Physical climate risk | Companies with physical assets, operations, or supply chains that may be exposed to extreme weather events | How to assess exposure to physical climate risks, evaluate the adequacy of mitigation measures, and identify opportunities to enhance operational resilience |
| | GHG emissions measurement and decarbonization | Companies establishing or refining GHG inventories, responding to regulatory or customer expectations, or evaluating cost-effective emissions reduction and energy-efficiency strategies to preserve and create value | How to measure energy use and GHG emissions and develop business-relevant decarbonization plans, where material, based on industry and sector dynamics |
| **Data Responsibility** | Cybersecurity and data privacy | Companies that rely on digital systems or manage sensitive information, where strengthening cybersecurity governance and controls supports business resilience | How to mitigate cybersecurity risks, promote a culture of cybersecurity awareness, and handle personal or sensitive data responsibly |

**2025 Portfolio Engagement Highlights**

*Fostering Employee Engagement*

- **Further scaling of broad-based ownership programs:** Building on 15 years of experience implementing broad-based employee ownership programs within our U.S. Private Equity portfolio, we continued to expand these efforts across geographies and asset classes in 2025. During the past year, we more than doubled the number of ownership programs at companies headquartered outside the U.S., with over a dozen new launches across Europe and Asia. Since 2011, we have supported ownership programs at more than 80 companies, representing over 180,000 employees, spanning multiple asset classes.

- **Financial literacy:** To support employee financial resilience and engagement, we continued to enhance financial literacy programming across our portfolio. As of 2025, 31 companies offer dedicated financial coaching programs, and 31 companies have employee assistance funds that have provided hardship grants to more than 2,300 employees. We have also worked with more than 50 companies to help assess and identify opportunities to enhance retirement and medical benefit offerings. Additionally, we worked with third-party experts to develop an executive workshop designed to raise awareness of the financial challenges faced by frontline workers and foster dialogue on building a more supportive culture to help reduce financial stress and enhance productivity.

- **Community and knowledge building:** In 2025, we deepened our engagement with human capital leaders across the portfolio by creating more opportunities for peer exchange and practical learning. Our 2025 Chief Human Resources Officers (CHRO) summits were our largest to date and brought together more than 50 participants in the U.S. and additional leaders across Europe. These forums provided an opportunity for senior human capital leaders to discuss the evolving role of the CHRO, including talent strategy, people analytics, and building high-performance cultures. Engagement beyond these events included expanding year-round resources for portfolio companies and virtual programming for executives on emerging priorities such as healthcare cost management and the application of AI in human capital functions. This was reinforced through a monthly newsletter and informal "coffee chats" for executives. We also continued cultivating a community of inclusive leaders through our Inclusion Exchange program, which brings together approximately 35 companies to share key resources and insights on building more inclusive cultures.

- **Empowering leadership:** We continued our efforts to promote self-awareness and personal development among CEOs and their teams by expanding our pilots of executive empathy workshops in partnership with third-party experts — aimed at strengthening shared purpose, culture, and business performance. To best lead and govern our companies, we also continued helping them identify board candidates with the appropriate expertise, including through independent directors.

Integrated Specialty Coverages, a former KKR portfolio company, celebrates the sale of the company.

*Managing Climate-related Risks and Opportunities*

**Physical Climate Risk**

We believe that gaining deeper insights into potentially material physical climate risk information relevant to underlying investments supports informed investment decision-making and strengthens engagement with investors. Physical climate risk refers to the potential financial and operational impacts that may arise from hazards such as extreme weather events, flooding, and rising heat levels — whether through direct damage to assets, supply chain disruption, or increased operating and insurance costs.

In 2025, KKR partnered with a third-party consultant to conduct an assessment of climate-related risks and opportunities in different climate scenarios.[8]

Informed by the results of this climate risk assessment, we continue to refine our understanding of key drivers of climate-related risks across the portfolio and maintain processes to identify, assess, manage, and integrate these risks throughout the investment life cycle.

KKR seeks to integrate material physical climate risk considerations into our responsible investment process to better understand how these hazards may affect asset performance, operations, and long-term valuations. Across Credit, Private Equity, and Real Assets, we have sought to enhance how we assess physical climate risk to help identify potential vulnerabilities during due diligence for new investments and portfolio company add-on acquisitions, and to inform engagement with and support of our investments.This approach is tailored by asset class and leverages various third-party data providers to support assessments at diligence and as part of portfolio monitoring, as applicable.

Where relevant data is available, we may also use proprietary tools to supplement third-party analysis and provide investment teams with additional insights into potential exposure. Outputs of these assessments may help inform underwriting assumptions and post-investment engagement priorities.

Post-investment, we work with portfolio companies to help them assess potentially material exposure to extreme weather and other climate-related hazards, evaluate the adequacy of existing mitigation measures, and identify opportunities to enhance resilience at both the site and enterprise level, as applicable. These physical climate risk assessments have also supported the identification and implementation of mitigation measures by many portfolio companies, including informing design, siting, and resilience planning for both new and existing solar assets, which we believe help to protect asset performance and long-term value.

Read more about physical climate risk specific to our investment activities in **KKR's 2025 TCFD and SASB Annex**.

- **Financed emissions:** We continued to work with our portfolio companies on measuring their greenhouse gas (GHG) emissions, ultimately directly measuring data covering more than 90% of our financed emissions from majority-owned[9] private equity and real assets investments. Using our financed emissions data, we worked to improve due diligence and incorporate decarbonization into value-creation planning where material for highest emitters, including transition-themed investments where accelerated decarbonization is an explicit part of KKR's investment thesis. In 2025, ongoing decarbonization efforts by portfolio companies led to a decrease in the absolute and financed emissions from transition-themed investments[10] among our top 20 emitters (accounting for 21% of KKR's financed emissions, down from 27% in 2024). Even as value protection and creation initiatives that we believe will reduce GHG emissions in the current portfolio are rolled out, we are also continuing to consider carbon-intensive transition-themed investments where we see an opportunity to accelerate business-relevant decarbonization. Additionally, certain of our businesses and our AUM continue to grow. This means portfolio-wide emissions may increase in the short- and medium-term as we support the implementation of business-relevant decarbonization plans.
- **Energy efficiency and performance improvement:** In 2025, we worked with a group of portfolio companies to pilot an engagement process focused on identifying potential operational improvements to help manage and reduce energy costs, and where applicable, support system reliability and performance.
- **Expanded resources:** We developed new cross-portfolio resources to facilitate access to renewable energy and reduce costs through energy efficiency measures. Across our Americas Private Equity and Infrastructure portfolios we convened periodic virtual meetings with sustainability leads and held in-person Sustainability Summits in Europe to discuss a broad range of sustainability topics.

*Protecting Data Security and Privacy*

- **Expansion of Project Shield:** We expanded the scope of cybersecurity reviews through a program we call Project Shield, our dedicated strategy to improve information security and cyber defense capabilities across our portfolio. In addition to enterprise risk management, Project Shield seeks to develop initiatives for specific industries such as operational technology for plant and manufacturing businesses and secure code development practices for product-driven businesses.
- **Cyber awareness:** We continued fostering awareness and engagement among cybersecurity leads at portfolio companies through annual Chief Information Security Officer summits, including those held in New York and Paris in 2025. We also continued a series of meetings where we invite external experts and vendors to discuss cybersecurity topics, including market developments, products, and trends.

For information on how we seek to foster employee engagement, manage our operational footprint, and protect data security and privacy in our own operations, see **KKR's 2025 Corporate Sustainability Disclosures.**

[8]The scope of the 2025 climate risk assessment included Kohlberg Kravis Roberts & Co. L.P. and its corporate affiliates that operate KKR's legacy asset management business, as well as Global Atlantic, but did not include certain other subsidiaries of KKR, including KJRM and its subsidiaries.
[9]Includes companies in which KKR has greater than or equal to 50% equity ownership.
[10]Includes capital invested in or committed to investments in hard-to-abate or carbon-intensive sectors, where one or more explicit transition themes were identified and established as part of the pre-investment thesis, from 2020 to December 31, 2025 by KKR funds and syndicated co-investments (including certain Global Atlantic investments). For purposes of this disclosure, hard-to-abate or carbon-intensive sectors are determined based on carbon intensity and informed by third-party frameworks.

KKR portfolio company Bushu Pharma celebrates the rollout of its employee ownership program.

## 2025 Portfolio Sustainability Performance Highlights

*Management and Governance*

82%

of companies have board-level oversight of material sustainability topics[11]

*Climate*[12]

Across our majority-owned private equity and real assets companies,

Over

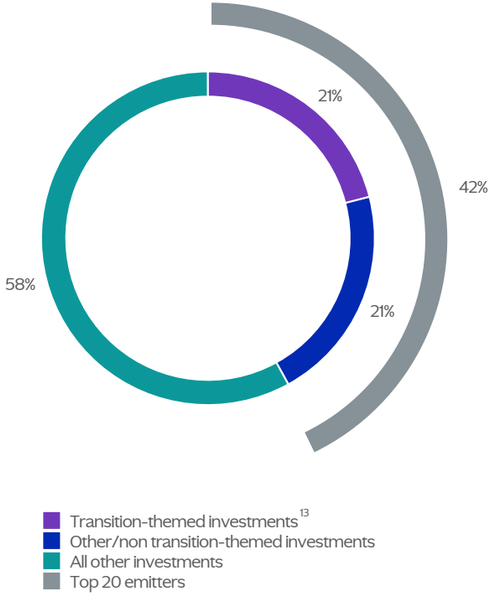
90%

of financed emissions are directly measured

74%

of financed emissions are addressed by business-relevant decarbonization plans

## KKR Financed Emissions: By Investment




*Human Capital*

21

new broad-based ownership programs launched in 2025

79%

of companies conduct employee engagement surveys[11]

90%

of companies have an employee health and safety policy[11]

*Data Responsibility*

95%

of companies have a data management process or policy in place[11]

150+

portfolio companies engaged through Project Shield

75

companies enrolled in KKR's cyber insurance program in 2025

[11]Includes majority-owned portfolio companies (meaning that KKR has greater than or equal to 50% equity ownership) across most Private Equity, Infrastructure, Energy, and select Credit investments. For more detail on scope and calculation methodologies, see the **Endnotes** of this report.
[12]For more detail on scope and calculation methodologies for our financed emissions, see the **Endnotes** of this report.
[13]For more detail on the calculation methodology for transition-themed investments, see footnote 10 in this report.

### Navigating an Evolving Sustainability Regulatory Landscape

The global landscape of sustainability regulations has experienced significant transformation, driven by evolving sustainability rules, regulations, priorities, and guidance. Over the past decade, sustainability regulation has increased significantly, reflecting the rapid growth of sustainability-based policy interventions.[14] This highlights an opportunity for portfolio companies to stay ahead of an evolving regulatory environment.

Building on our multi-year efforts to increase connectivity and foster knowledge sharing among our portfolio on sustainability topics, in 2025, we brought together portfolio companies through different forums across a variety of topics, including the changing regulatory landscape.

In 2025, we continued the Sustainability Regulatory webinar series launched in 2024 to support the needs of our portfolio companies. The webinar series acts as a source of information from external experts about certain major, current, or proposed sustainability-related regulations and standards that may be relevant for our portfolio companies. Webinars addressed certain regulations such as the EU Sustainability Omnibus and California Climate Disclosure Regulations, SB 253 and SB 261.

Other resources included discussion forums with external experts to enhance understanding of emerging requirements, such as the Australian Sustainability Reporting Standards, and facilitate knowledge sharing.

### Enhancing How We Leverage Data for More Informed Decision-making

We believe that ongoing tracking and monitoring of sustainability metrics and indicators, accompanied by comprehensive analytics, is a powerful tool to engage with portfolio companies and support them in the management of material sustainability risks and opportunities. As such, we conduct an annual survey across our portfolio companies to collect relevant sustainability data. We ask for both qualitative and quantitative information and supplement the survey data with additional detail gathered through other methods of engagement, such as in-person or virtual meetings with management.

Our Sustainability Data Operations team, asset class and topic area Sustainability professionals, and Capstone teams collaborate to support these efforts. For example, our Sustainability Data Operations team is primarily responsible for aggregating portfolio company sustainability data from various systems, while also maintaining integrity for regulatory purposes at the enterprise level. Our Sustainability professionals and Capstone team leverage this data to engage with portfolio company leadership on sustainability-related performance and support the integration of material sustainability issues for new investments into 100-day plans, as applicable.

In 2025, we continued strengthening the accessibility, consistency, and reliability of sustainability data across KKR. We enhanced internal data tools and reporting capabilities to continue to support investment decision-making, portfolio engagement, and investor data requests. To reinforce accountability and data quality, we expanded automated validation processes and engaged third-party assurance providers, where appropriate. We also advanced automation across certain regulatory and product investor reporting workflows, reducing manual processes and improving reporting efficiency. During the year, we broadened data coverage to allow for inclusion of additional metrics related to employee ownership, policy adoption, and financed emissions, and introduced climate scenario analysis capabilities and other firm-wide tools.

**KKR's 2025 Annual Survey Process Highlights**

276

companies surveyed with a 99% response rate[15]

4

survey versions based on sector- or market-specific contexts

7

focus areas covered

1,867

Real Estate assets included, with 41 operating partners

[14] Compliance & Risks, **Global Sustainability Regulatory Trends in 2025**, 2025.
[15] Includes most portfolio companies across Private Equity, Infrastructure, Energy, and select Credit investments. For more detail on scope and calculation methodologies, see the **Endnotes** of this report.

# Examples Across Our Portfolio

**Spotlight: Unlocking Value Through Sustainability and Innovation**

In December 2025, KKR and three of our portfolio companies participated in the Private Equity Sustainability Practicum hosted by the NYU Stern Center for Sustainable Business. The discussions reflected KKR's long-standing belief that embedding sustainability into core investment and operating decisions, with a focus on what is most material, helps strengthen performance and supports durable value creation.

The event convened portfolio company leaders, investors, and industry experts to explore how sustainability efforts support business performance through efficiency gains, risk management, and long-term growth. Highlights from the event included:

- ContourGlobal, a global independent power producer, sharing why it views decarbonization as a core business priority, including how shifting away from fossil fuels, in its experience, can lower exposure to fuel price volatility and support access to sustainable finance

- Charter Next Generation, a materials sciences company, outlining how it believes circularity is reshaping competitiveness in packaging, particularly as it has seen demand for recycled content and recycle-ready products grow and extended producer responsibility requirements evolve

- Potter Global Technologies, a fire- and life-safety solutions company, emphasizing why it believes that investing in employees and driving strong business results are mutually reinforcing and how its broad-based ownership program has helped improve engagement, safety, retention, and productivity

Across sectors, our portfolio company leaders highlighted a significant opportunity — by better integrating material sustainability-related risks and opportunities and better tracking performance against core business objectives, companies can strengthen resilience and support long-term value creation.

Read more on KKR Insights, "**Unlocking Value Through Sustainability and Innovation**."

## **Integrated Specialty Coverages:** Strengthening Culture and Engagement to Support Business Performance[16]

**Company description:** Tech-enabled insurance underwriter and distributor

**Year of investment:** 2021

**KKR Strategy:** Private Equity

**Location:** Harrison, New York, United States

Integrated Specialty Coverages (ISC) is a technology-enabled specialty insurance platform that, as it scaled, came to believe that sustaining performance would require more than technical expertise alone. From the start of the investment in 2021, KKR partnered with management to prioritize culture and employee engagement — anchored by the implementation of a broad-based ownership program that sought to connect employees more closely to the business as it grew.

Throughout KKR's ownership, ISC's leadership team and employee-owners treated the program as more than a financial incentive. It was designed to foster accountability and a shared purpose by enabling employees across the organization to participate meaningfully in the company's success. These efforts were complemented by mechanisms to better understand employee sentiment and reinforce participation — through regular engagement surveys and benchmarking with Ownership Works — to ensure employees felt heard and valued as the organization evolved.

ISC also worked to foster a strong culture of engagement through financial wellness support, educational resources, regular all-hands meetings, employee recognition, and leadership development trainings. As part of the company's focus on financial well-being, ISC also saw increased employee participation in retirement savings, with the share of employees making retirement contributions rising by approximately 20% over the investment period.

Members of the Americas Private Equity team join ISC's CEO and President as they share the sale announcement with employees.

Over the same timeframe, employee retirement savings grew by more than $25 million, reflecting increased employee focus on long-term financial planning.

Over the investment period, this focus translated into progress across both performance and employee engagement. From 2021 to 2024, the company achieved approximately 23% EBITDA Compound Annual Growth Rate (CAGR) and a +2.6 percentage point increase in EBITDA margin. Over the same period, employee engagement scores rose from the 76th to the 91st percentile in Gallup assessments.

These cultural improvements were accompanied by tangible workforce outcomes. From 2022 to 2024, ISC realized a more than 50% reduction in voluntary employee attrition, supporting operational continuity and reducing costs associated with turnover. ISC also achieved top-decile performance on the Ownership Works index, with employee ownership sentiment increasing by 23% over the same period.[17] Together, these outcomes strengthened ISC's performance profile leading into exit and illustrate how investments in culture and engagement supports both workforce and business performance.

In 2025, KKR announced the sale of ISC to Onex Partners, which has committed to continuing the broad-based ownership program at ISC following the close of the sale. As a result of ISC's broad-based ownership program, all of the company's nearly 400 employees received cash payouts upon closing, with payouts ranging from three months to 30 months of annual pay for the most tenured employees.

To support employees in navigating this moment, ISC provided pre-paid personal financial coaching services, empowering employees to make the most of these financial benefits. In the first three months after the payout event, more than 40% of employees engaged in one-on-one conversations with financial coaches, and 96% of employees participated in group financial education sessions.

Read more at **www.iscmga.com**.

### Key Highlights

~23% EBITDA CAGR and +2.6 ppt increase in EBITDA margin

Employee engagement scores rose from the 76th to the 91st percentile in Gallup assessments

Top-decile performance on the Ownership Works index, with employee ownership sentiment increasing by 23%

50%+ reduction in voluntary employee attrition

~400 employees received cash payouts upon closing, with payouts ranging from three to 30 months of annual pay

[16]For this and subsequent case studies, please refer to the **Cautionary Statement** for important disclosures regarding case studies, case study selection, and information provided by portfolio companies, including forward-looking statements and estimates.
[17]As measured by O.W.10 survey.

## **LOGISTEED:** Advancing Supply Chain Resilience Through Decarbonization

**Company description:** A leading 3PL (contract logistics) company headquartered in Japan

**Year of investment:** 2022

**KKR Strategy:** Private Equity

**Location:** Tokyo, Japan

As supply chains become more complex, logistics providers are increasingly navigating expectations around operational reliability, safety, and decarbonization — driven by evolving customer requirements, regulatory developments, and the pressure to manage energy use and emissions across asset-intensive operations.[18] Within this context, LOGISTEED supports customers across Japan with integrated third-party logistics solutions spanning procurement, manufacturing support, distribution, and port services.

LOGISTEED entered KKR's ownership with what we believed to be a strong foundation across sustainability topics, including employee engagement, health and safety, energy use, and decarbonization. Building on this foundation, KKR worked with the company to identify additional value-creation opportunities, including strengthening its decarbonization plan and conducting energy-efficiency audits across its operations. LOGISTEED determined that these efforts help position the company to meet customer expectations for lower-carbon logistics solutions while also preparing for potential sustainability disclosure requirements, including the Corporate Sustainability Reporting Directive for its European operations and the Sustainability Standards Board of Japan.

The partnership with KKR has centered on strengthening LOGISTEED's sustainability strategy over time, with a particular focus on decarbonization as a strategic business priority. Through this work, KKR supported a detailed review of the company's decarbonization plan to assess its alignment with decarbonization frameworks, which informed further refinement of LOGISTEED's strategy and culminated in the company's 2025 commitment to pursue Science Based Targets initiative (SBTi)–certified emissions reduction targets. Starting in FY26, LOGISTEED intends to further advance its decarbonization efforts under a new set of targets.

In FY24, LOGISTEED refined its climate scenario analysis, assessing transition risks under 1.5°C and 2°C scenarios and physical risks under a 4°C scenario.[19] The review identified potential financial exposure across several areas, including regulatory developments, capital investments required to modernize fleet and facilities, and risks of business interruption from more frequent extreme weather events. At the same time, it highlighted opportunities to strengthen competitiveness through lower-carbon logistics services, including fleet electrification and modal shift, improved energy efficiency across warehouse and transport operations, and emissions visualization tools that help customers measure and reduce supply chain emissions. These findings are currently informing capital planning and risk management to support long-term operational resilience.

LOGISTEED's climate strategy is supported by clear governance, defined decarbonization targets, and a structured energy transition plan. Climate risk oversight and execution of the climate strategy sit at the LOGISTEED board level, with regular review of progress and risks. The company discloses its Scope 1, 2, and 3 GHG emissions and has established a 1.5°C-aligned target to reduce Scope 1 and 2 emissions by 50% by 2030, compared to a 2013 baseline. These decarbonization targets are supported by an energy transition roadmap focused on improving energy efficiency; electrifying the vehicle fleet and transitioning to fuel cell vehicles; expanding renewable energy procurement and onsite generation; and selectively evaluating emissions trading and offsetting mechanisms. As part of advancing its fleet decarbonization strategy, LOGISTEED has also begun piloting electric trucks within its transportation and delivery operations, working with partners to test performance under real-world conditions. Electric trucks can deliver lower lifetime fuel and maintenance costs than diesel, driven by lower energy costs per mile and fewer moving parts — particularly for high-utilization, predictable logistics routes, reinforcing the long-term economics of fleet electrification.[20]

Progress against these commitments has been measurable. In FY24, LOGISTEED achieved more than a 20% reduction in emissions relative to a 2013 baseline — equivalent to an average annual reduction of over 2%.

In 2025, KKR agreed to sell a 19.9% stake in LOGISTEED to JAPAN POST Co, Ltd. for ¥142.3 billion, valuing the company at over ¥715 billion. The transaction establishes a strategic alliance expected to support operational synergies and further domestic and international growth.

Read more at **www.logisteed.com/en**.

**Key Highlights**

1.5°C-aligned target to reduce Scope 1 and 2 emissions by 50% by 2030

>20% reduction in emissions achieved, equivalent to an average annual reduction of >2%

Board-level oversight of climate risk and strategy

Decarbonization roadmap in place focused on energy efficiency, fleet electrification, and renewable energy procurement

Commitment to SBTi–certified targets in 2025

LOGISTEED warehouse in Kashiwa City, Chiba Prefecture, Japan.

[18] World Economic Forum, **Green Logistics Innovation for Emerging Markets: Driving Competitiveness and Shared Value**, 2025.
[19] LOGISTEED's fiscal year runs from April 1, 2024 to March 31, 2025.
[20] Economics of Energy Innovation and System Transition, **Driving the Transition to Zero Emission Trucks**, 2025.

## **o9 Solutions:** Embedding Sustainability to Enhance Decision-making in Enterprise Planning

**Company description:** Supply chain and integrated business planning software

**Year of investment:** 2020

**KKR Strategy:** Private Equity (Tech Growth)

**Location:** Dallas, Texas, United States

Today's operating environment requires companies to make faster, more connected decisions across planning, operations, and finance. As an AI-driven enterprise supply chain planning and decision-support software provider, o9 Solutions (o9) helps large organizations align decisions across their operations.

At the same time, sustainability has become an increasingly important consideration for many enterprises, driven by regulatory requirements, customer expectations, and the demand for greater transparency. Because supply chains often account for a meaningful portion of companies' environmental impacts,[21] o9's customers are seeking ways to integrate sustainability considerations into core planning and decision-making — something that has historically been managed outside enterprise planning systems.

o9 is helping to address this gap. In 2022, the company launched a full-spectrum sustainability solutions suite embedded directly within its enterprise planning platform, enabling customers to assess sustainability performance alongside cost, service, and operational trade-offs. This allows organizations to move beyond reporting and incorporate sustainability considerations into day-to-day planning and decision-making.

[21]CDP, **Sustainable Supply Chains: How Disclosure Data Drives Progress and Accelerates Action**, 2026.
[22]ERM, **Rate the Raters 2025: ESG Ratings in Evolution**, 2025.

As the platform evolved, KKR supported o9 in advancing the integration of sustainability-related capabilities into its broader product and commercial strategy, with increasing alignment to operational efficiency, cost, and risk priorities, and broader engagement across supply chain, procurement, and finance.

In 2025, o9 sourced approximately 99.9% of its electricity from renewable sources, supporting the early achievement of its Scope 2 emissions reduction target. These efforts were reinforced by strengthened governance and third-party assurance of select sustainability metrics. Since 2024, o9 has maintained SBTi-validated emissions reductions targets.

The company has also applied its own platform internally to manage its sustainability priorities, using it to track and model GHG emissions, support decarbonization planning, and streamline reporting across multiple frameworks, including GRI, SASB, and CDP.

As customer demand for sustainability ratings continues to rise, particularly through supply chain requirements, platforms like EcoVadis are increasingly used to assess suppliers.[22] In 2025, o9 earned an EcoVadis Platinum Medal for the first time, achieving a score of 89 out of 100 and placing the company in the top 1% of all rated organizations.

Read more at **www.o9solutions.com**.

**Key Highlights**

~99.9% renewable electricity sourcing, contributing to an early achievement of the company's Scope 2 emissions reduction target

EcoVadis Platinum rating with a score of 89/100 (top 1% globally)

SBTi-validated emissions reduction targets in place since 2024

User reviews data on o9 Solutions' platform.

## **Zenobē:** Enabling Cost-effective Electrification and Grid Resilience

**Company description:** International EV fleet and utility scale battery storage specialist

**Year of investment:** 2023

**KKR Strategy:** Infrastructure (Global Climate Transition)

**Location:** London, England, United Kingdom

With operations across North America, Europe, Australia, and New Zealand, Zenobē sits at the intersection of two of the most capital-intensive challenges in the energy transition: electrifying transport and enabling renewable energy integration on the grid.[23]

Zenobē-powered electric bus depot in Sydney, Australia.

As the energy transition progresses, the power sector — which accounts for approximately 40% of global $CO_2$ emissions[24] — is grappling with how to absorb growing volumes of intermittent renewable generation without compromising grid stability. At the same time, transport operators are under pressure to electrify fleets at scale, but high upfront costs and infrastructure complexity remain key barriers.[25] As electricity demand rises, customers increasingly value solutions that combine infrastructure, financing, and operational expertise to support reliable, cost-effective decarbonization.

Zenobē's model aims to address key barriers in both areas. For fleet operators, it finances, deploys, and manages electric vehicles and charging infrastructure, reducing the upfront capital burden and operational complexity of transitioning from diesel. Zenobē is focused on helping its customers target cost parity with conventional internal combustion engine vehicles, offering a practical path to electrification. For power networks, it develops and operates large-scale battery storage assets that store excess renewable energy and dispatch it when demand is highest, supporting grid stability as renewables scale.

KKR invested in Zenobē in December 2023 with a focus on scaling the platform. Since then, the business has expanded into North America, broadened its customer base into trucks and commercial delivery, and pursued targeted M&A opportunities to accelerate growth. As the platform scales, so does the importance of managing potential operational and environmental risks. In 2025, Zenobē further institutionalized its sustainability approach by establishing a board-level ESG Committee and enhancing public reporting to help strengthen oversight, improve transparency, and support more informed decision-making and stakeholder confidence.

During KKR's investment in Zenobē, a key focus has been on ensuring safe and reliable operations. In 2025, Zenobē employees surpassed one million hours worked while maintaining zero fatalities, supported by increased workforce engagement, improved training, and continued investment in ISO-certified management systems. This approach also extends to its work with customers. In the U.S., the company partnered with Beacon Mobility to electrify a complex school bus depot under the EPA Clean School Bus Program, supporting 35 buses and 33 chargers. Acting as a single point of contact, Zenobē optimized system design and equipment selection, coordinated procurement, and secured multiple funding sources, which the company estimates generated over $1 million in savings attributed to Zenobē's expertise.[26]

These efforts are translating into strong performance. In 2025, Zenobē products and services helped avoid approximately 412,000 $tCO_2e$ in customer emissions, 75% more than the prior year. Since inception, the company has raised over £2.7 billion in total CAPEX funding, including a landmark £410 million debt financing in 2024.

The company is also advancing circular innovation across the battery life cycle, deploying 53 second-life batteries for portable power applications, including at a 32,000-person event where repurposed units cut onsite electricity generation emissions by up to 98% compared to a conventional diesel setup.

By the end of 2025, the fleet division had financed approximately 2,500 vehicles — around 300 ahead of plan — and entered the e-truck and Canadian markets. On the storage side, 300 megawatts (MW) of new capacity came online, increasing operational capacity to 731 MW, with a further 770 MW in development.

Read more at **www.zenobe.com.**

### Key Highlights

>£2.7 B total CAPEX raised, including a landmark £410 M debt financing

~2,500 EVs financed globally

731 MW battery storage operational, with 770 MW in development

Helped customers avoid ~412,000 $tCO_2$, 75% more than prior year

53 portable power batteries deployed, reducing emissions by up to 98% vs. a conventional diesel setup

[23] BloombergNEF, **Energy Transition Investment Trends**, 2026.
[24] IEA, **$CO_2$ Emissions**, 2025.
[25] IEA, **Global EV Outlook 2025**, 2025.
[26] As of December 31, 2024.

## **Robin:** Increasing Efficiency in Hospitality Assets Through Sustainability Initiatives[27]

**Asset description:** 33 hotels across London and other major cities in the UK

**Year of investment:** 2024

**KKR Strategy:** Real Estate

**Location:** United Kingdom

In the UK hospitality sector, rising energy costs[28] and tightening energy performance certificate (EPC) standards[29] are reshaping the operating environment. We therefore view improving building energy efficiency as increasingly central to protecting margins and sustaining long-term asset value. In 2025, we worked with one of our operating partners to execute a targeted program of 50 sustainability initiatives across Robin, our UK hospitality portfolio, aiming to improve energy performance, reduce emissions, and enhance asset resilience.

Approximately £1.55 million of capital was deployed to help strengthen asset value by implementing measures that can accelerate asset-relevant decarbonization and enhance energy performance. The program is expected to generate approximately £498,000 in recurring annual financial benefits, equating to a blended yield on cost of 32%, demonstrating alignment between environmental performance and value creation.

A significant proportion of this capital was directed toward energy efficiency and electrification measures. LED lighting upgrades across 17 projects and voltage optimization across five projects are expected to reduce electricity consumption portfolio-wide, delivering projected yields on cost of 33% and 34%, respectively. We believe that the installation of smart thermostats and advanced building controls will further enhance operational efficiency by reducing unnecessary energy use while improving guest comfort.

We also supported our operating partner with advancing on-site renewable generation through solar photovoltaic (PV) installations at two properties, with the goal of lowering carbon intensity and improving long-term energy resilience. Complementary investments, including 10 EV charger installations delivering a projected 62% yield on cost, support the transition to lower-carbon transport while seeking to enhance asset attractiveness and future-proof our assets.

Collectively, these initiatives are expected to contribute to measurable reductions in Scope 1 and 2 emissions and support improvements in EPC ratings across the portfolio by lowering overall energy demand and increasing the share of lower-carbon energy sources. Beyond carbon savings, these initiatives aim to enhance asset quality, reduce exposure to energy price volatility, and strengthen long-term income durability.

The strong financial returns expected — particularly from higher-yield measures such as EV charging and pool efficiency upgrades — reflect our strategy of embedding sustainability-focused capital allocation into our asset management plans, delivering tangible decarbonization outcomes alongside attractive risk-adjusted returns.

**Key Highlights**

Sustainability initiatives program expected to generate ~£498,000 in recurring annual financial benefits, equating to a blended yield on cost of 32%

Hospitality asset in Portsmouth, United Kingdom.

[27]Projected annual financial benefits and yield on cost have been provided by third-party advisors. Refer to the **Cautionary Statement** for important disclosures regarding third-party sources and forward-looking statements.
[28]UKHospitality, **The energy squeeze: why hospitality must act now to reclaim control**, 2025.
[29]UKHospitality, **Energy Performance Certificates,** 2025.

# Highlights By Business

We view the integration of sustainability considerations in the capital deployment process not as a checklist, but as a strategic lens — one that helps us better understand risk, identify opportunities, and make more informed decisions. By focusing on what is most material to each business, we support companies that are positioned to grow and endure. The application of this approach varies across asset classes and strategies.

The following section summarizes key 2025 activities and progress to date across Credit, Private Equity, Real Assets, and Insurance.

KKR's Responsible Investment Policy

**By the Numbers**

$322 B

assets under management

~250

investment professionals[30]

20+

years of investing in Credit

Read more about our global **Credit** business.

# Credit

To integrate material sustainability considerations in our Credit investing process, we seek to collect consistent, quality data, and engage sponsors and borrowers in meaningful dialogue.

### 2025 Progress and Highlights

We believe that gaining deeper insights into physical climate risk information relevant to underlying investments supports informed decision-making while also fostering engagement and transparency with investors. In 2024, we introduced a new Credit Climate Risk Model (CCRM) as part of our Responsible Investment Credit Scorecard (RICS) to support the identification of climate-related risks and opportunities in the credit investment process, where potentially material and where relevant data is available.[31]

In 2025, we began using physical climate risk data more systematically in credit diligence and monitoring. While we are still collecting data across the credit portfolio, we initiated the use of physical climate risk reports in diligence for certain investments. Where higher-risk exposures were identified, we engaged with borrowers, relevant third-party vendors, and our internal insurance subject-matter experts to assess existing processes, identify potential gaps, and determine appropriate next steps to mitigate risk.

We believe reliable, comparable sustainability data is important to how we monitor credit exposures and engage with borrowers. In 2024, we strengthened our data collection capabilities by implementing an industry-wide, standardized sustainability questionnaire for Credit through the Integrated Disclosure Project (IDP) to facilitate consistent distribution, collection, and analysis across much of the portfolio. In 2025, we continued to strengthen our monitoring and engagement efforts by focusing on improving sustainability questionnaire completion rates across the Credit portfolio. We continued to work closely with third-party data providers on the distribution of the IDP, and engaged directly with borrowers to clarify the purpose and use of the IDP in our investment and monitoring processes.

We also continued to integrate physical climate risk assessments into our credit diligence process, where potentially material. For example, prior to the transaction with Keurig Dr Pepper in 2025, we conducted environmental diligence that included understanding what physical climate hazards relevant assets may be exposed to, how significant they may be, and whether exposures, if any, were being adequately managed and insured as it related to a number of manufacturing sites. As part of our diligence process on Keurig Dr Pepper, our Credit team worked closely with a third-party advisor to help us understand the material environmental-related risks. We also sought to understand climate transition risk at the business level and supply chain considerations, including human rights and nature-related risks.

Solar asset in Avalon, Arizona, financed through the ABF strategy.

Throughout the year, we continued to refine our responsible investment processes in Credit to ensure they remain fit-for-purpose across various asset classes. This included developing a tailored version of our RICS for our Asset-Based Finance (ABF) high-grade investments. While our existing framework is designed to assess issuer-level sustainability risks and governance practices, high-grade and pool-based exposures require a more asset-focused lens. The updated approach places greater emphasis on underlying loan characteristics to better inform our assessment of material sustainability-related risks and opportunities in these portfolios.

Additionally, KKR's ABF strategy has deployed over $13 billion in renewable assets, such as solar and wind.[32]

### Looking Ahead

In 2026 and beyond, we aim to:

- Further integrate material climate risk considerations into credit diligence and monitoring processes
- Enhance how we leverage technology and data tools, including AI, to support more consistent and scalable RICS assessments
- Continue expanding distribution of the IDP and supporting borrowers in completion

[30]Investment professionals across Credit and Capital Markets.
[31]The Responsible Investment Credit Scorecard is not a determining factor for the investment decisions of the Investment Committee. The degree of influence that the Scorecard has on the investment process varies based on the applicable investment strategy and may otherwise vary on a case-to-case basis; for example, our ability to engage with and influence borrowers and sponsors within our Leveraged Credit strategy is likely to be quite limited.
[32]Includes capital invested in or committed to renewable assets from 2010 to December 31, 2025 by KKR funds and syndicated co-investments (including Global Atlantic's sustainability-focused investments from 2015 to December 31, 2025). For purposes of this disclosure, renewable assets are assets that KKR has identified as aligned with renewable industries or activities, as informed by third-party frameworks and Global Industry Classification Standard (GICS) sub-industries.

**By the Numbers**

$192 B

capital invested

$52 B

available capital to invest

225+

portfolio companies[33]

Read more about our global **Private Equity** business.

# Private Equity

For years, we have aimed to apply our materiality-based approach to help our Private Equity portfolio companies enhance long-term value. This includes a focus on areas such as human capital and broad-based ownership, and the management of climate-related risks that may be material to business performance. This approach continues to shape our ongoing efforts to support our companies in integrating material sustainability factors into day-to-day operations and strategic planning.

### 2025 Progress and Highlights

Since 2011, employee engagement and ownership has been a key priority in working with our Private Equity portfolio companies, first with our Americas Industrials investments and now across sectors and regions. We continued deepening and operationalizing these programs in our Private Equity portfolio globally and across sectors, with 21 new ownership programs launched in 2025.

Employee ownership initiatives expanded globally, with over a dozen new programs launched across Europe and Asia. KKR was proud to support Ownership Works in driving a global movement for employee ownership as it launched its first international affiliate in Japan, leveraging insights from KKR's support of ownership programs at Bushu Pharma and Yayoi. Our sale of ISC also marked our first exit in the financial services sector and our 11th exit of a company with a broad-based ownership program in place. In total, over 30,000 non-management employees have received payouts from these exits.

In 2025, we continued working with portfolio companies to help them mature their business-relevant sustainability plans, starting with leveraging sustainability data to help identify value creation opportunities. This work involved both one-on-one engagement and scalable resources, including a review of portfolio companies' energy costs and continued progress on initiatives to help enhance operational performance and reduce GHG emissions, where material. Additionally, more than 40 portfolio companies across the Private Equity portfolio conducted physical climate risk assessments in 2025, supported by KKR standardized tools and resources. These assessments helped companies evaluate potential exposure to extreme weather and natural hazards, assess the adequacy of existing mitigation measures, and prioritize risk management actions, where material and appropriate. We continue to review physical climate risks that could impact our portfolio, and in 2025 enhanced coverage of physical climate risk assessments across our Asia Private Equity and Infrastructure platforms.

In April 2026, KKR hosted its second in-person Sustainability Summit in Europe, bringing together leaders from our Private Equity and Global Impact portfolio companies. The summit featured panels and workshops on turning sustainability into measurable impact and value. It also provided a chance for networking within the portfolio, enabling companies to engage directly with peers, share best practices, and exchange insights that help to strengthen sustainability efforts across our network.

KKR portfolio company Yayoi celebrates the rollout of its employee ownership program.

In a continued effort to share learnings among KKR portfolio companies, in 2025, we hosted a series of meetings for sustainability leads within our Americas Private Equity portfolio to discuss a wide range of sustainability topics and provide access to new resources. These meetings brought together representatives from more than 30 portfolio companies to discuss topics such as GHG emissions and energy efficiency, sustainability reporting regulations, and renewable energy procurement.

### Looking Ahead

In 2026 and beyond, we aim to:

- Support the expansion of broad-based ownership programs across portfolio companies globally
- Strengthen ownership cultures by evolving our playbook and expanding practical resources and portfolio-wide knowledge sharing
- Deepen engagement with portfolio company management to support and monitor performance on material business-relevant sustainability priorities identified during diligence

[33]Portfolio company figure includes portfolio companies in our traditional buyout and middle-market strategies.

# KKR Global Impact

### Our Approach

Launched in 2018, the Global Impact strategy is KKR's dedicated private equity impact strategy established to invest in businesses that seek to deliver solutions to critical global challenges.

### Our Mission

To invest behind scalable, commercial solutions that seek to address critical global challenges.

### Our Vision

We aim to deliver resilient, long-term outperformance by investing in companies that generate impact through their core products or services and actively manage material sustainability topics.

The Global Impact strategy focuses on opportunities where our active governance playbook can help scale an existing business to deliver enhanced economic outcomes and impact. The strategy seeks to invest in leading companies with proven business models, where financial performance and positive impact are intrinsically linked to how the company creates value. Our investment approach for Global Impact begins with the same rigorous playbook for investment selection and value creation as our other Private Equity strategies. We use active governance to encourage risk reduction and support operational improvements. Employee engagement, including broad-based employee ownership programs, is a critical component of this approach. And, as with other KKR strategies, we work together with our Global Impact portfolio companies to integrate thoughtful management of material sustainability topics to protect and create value.

## Global Impact Portfolio Companies[34]

### Our Investment Themes

Climate Action · Sustainable Living · Lifelong Learning · Inclusive Growth

Global Impact focuses on four investment themes — climate action, sustainable living, lifelong learning, and inclusive growth — and invests in companies that we believe:

- Can achieve attractive, risk-adjusted returns
- Contribute a locally-relevant solution to the United Nations Sustainable Development Goals (UN SDGs) through core products or services, as determined in collaboration with third-party experts
- Generate measurable impacts, using metrics sourced from credible third-party frameworks whenever possible
- Seek to improve performance of material sustainability topics during KKR's ownership, including by mitigating potential negative externalities

**KKR's 2025 Global Impact Summary**

To learn more about how KKR defines "impact" and "sustainability management," see the **Glossary**.

*Denotes investments January 2025–January 2026

[34]Geographic footprint as of March 2026. KKR Global Impact signed the sales of Viridor in late 2025, and CoolIT and Axius Water in early 2026. The sales of Viridor and CoolIT are subject to closing conditions, and there is no guarantee the transaction will close on the expected terms or at all.

## 2025 Highlights[35]

In 2025, the Global Impact strategy made a follow-on investment in Citation and signed two new companies to the portfolio: Infobric and Forum Engineering.

We also continued to strengthen our impact measurement and portfolio-level performance tracking in 2025. We tracked year-over-year contributions for approximately 120 impact metrics and added more than 20 baseline metrics. This data informs portfolio management and supports our ongoing value creation efforts.

Read more on portfolio-level impact metrics in **KKR's 2025 Global Impact Summary.**

To better understand the real-world outcomes associated with our companies' products and services, we support portfolio companies in conducting targeted customer surveys, product efficacy studies, and LifeCycle Assessments. These insights help inform product development, commercial strategy, and stakeholder engagement. For example, we worked with two portfolio companies to conduct customer surveys in 2025, generating insights that we believe are informing product refinement, scaling outcomes, and driving greater value.

Throughout our ownership, we engage with portfolio companies to help strengthen management of material sustainability topics. In 2025, this included, where applicable, supporting initiatives related to employee engagement, GHG emissions management, customer welfare, business ethics, data security, and other areas we believe are closely linked to operational performance and long-term resilience.

## **The Citation Group:** Strengthening Workforce and Compliance Practices for SMEs

Small- and medium-sized enterprises (SMEs) often face complex health and safety, employment, and human resources requirements, but lack the in-house resources to implement best practices. As a leading partner to SMEs, Citation offers cost-efficient solutions that support SME compliance with employment legislation and health and safety regulations, with demonstrated improvements in workplace safety and labor outcomes. Citation clients are 93% less likely to be taken to an employment tribunal and 52% less likely to suffer a fatality compared to the UK average for the comparable period.[36]

KKR first invested in Citation in 2020, partnering with the company to support its growth and strategic development. During this period, Citation expanded beyond its roots in the UK into Australia and Canada, broadened its product offerings, and advanced its digital capabilities through the Atlas platform — a portal that brings together multiple compliance services, including sustainability-related resources.

In 2025, KKR made a follow-on investment in Citation, reflecting our ongoing commitment to the company's platform and long-term development. Looking ahead, KKR plans to continue supporting Citation's focus on product innovation and scaling its global footprint, which we believe will help extend essential compliance and workforce support across the SME ecosystem and contribute to safer, more resilient workplaces.

## **Infobric:** Enhancing Construction Site Safety and Labor Transparency

Deeply fragmented and complex supply chains make it difficult for construction companies to maintain consistent site-level oversight of workforce management, compliance, and safety practices. Headquartered in Sweden, Infobric is a construction software company that provides digital solutions such as site access verification, attendance tracking, subcontractor management, and health and safety compliance. By digitizing worksites, Infobric's solutions seek to improve visibility into subcontractor safety and employment practices, helping protect workers from unsafe and exploitative working conditions, and unfair labor practices.

The company serves more than 12,000 general contractors, 75,000 subcontractors, and approximately 450,000 app users across the Nordics and the United Kingdom.[37] In addition to its workforce management solutions, Infobric provides digital tools to manage machines and equipment on sites, which can have an impact on compliance, transparency, sustainability, and health and safety outcomes according to a survey KKR conducted during diligence.

This investment marks KKR Global Impact's first investment in the Nordic region. With the support of KKR, Infobric aims to accelerate product innovation, expand into new geographies, and pursue strategic M&A to scale its platform.

Read more in the **press release**.

## **Forum Engineering:** Expanding Access to Engineering Careers in Japan's Manufacturing Sector

Japan's labor market is increasingly constrained by a declining working-age population and limited workforce mobility, creating persistent shortages of technical talent in industrial sectors such as manufacturing.[38] Forum Engineering provides specialized engineering staffing services for approximately 4,800 full-time mechanical and electrical engineers.[37] By hiring, upskilling, and matching engineers to high-value projects at client companies, Forum Engineering seeks to both enhance engineer career outcomes and help address acute industrial labor shortages.

Forum's model helps to enable engineers to work across a range of industrial clients, helping companies overcome skills gaps in their organization, while also providing engineers access to structured training, compensation solutions, and experience across multiple sectors and projects. Forum's proprietary AI-based matching platform, Cognavi, is designed to align engineers' skills and capabilities with client needs, which helps support more effective job placement and helps engineers build long-term, stable careers with a diversity of skills and experiences.

The investment marks KKR Global Impact's first investment in Japan. As a strategic partner, KKR plans to support Forum Engineering's efforts to deepen its technology capabilities, expand training and development programs, and introduce a broad-based employee ownership model, which we believe will support a more resilient engineering workforce at a critical moment for Japan's industrial economy.

Read more in the **press release**.

[35]Please refer to the **Cautionary Statement** for important disclosures regarding case studies, case study selection, and information provided by portfolio companies, including forward-looking statements and estimates.
[36]For more detail on scope and calculation methodologies for performance data, see the **Endnotes** of this report.
[37]Metrics for Infobric as of the time of diligence through Q1 2026. Metrics for Forum Engineering as of the time of diligence through December 2025. KKR signed investments in Infobric and Forum Engineering in 2025.
[38]International Monetary Fund, **The Impact of Aging and AI on Japan's Labor Market**: Challenges and Opportunities, 2025.

**By the Numbers**

$192 B

assets under management across Real Assets

240+

investment and asset management professionals dedicated to Real Assets

Read more about our global **Real Estate** business.

Read more about our **Infrastructure** business.

# Real Assets

## Real Estate

We believe the thoughtful management of material sustainability risks and opportunities across our Real Estate platform helps protect asset value while supporting long-term value creation by reducing costs, improving efficiency and resilience, and enhancing asset desirability.

### 2025 Progress and Highlights

In 2025, we moved from framework-building to execution, further embedding material sustainability considerations into underwriting, capital planning, and asset-level operations, with a clear financial lens. Material sustainability considerations were integrated into annual business plans and 2026 budgets across regions to support execution readiness. In certain regions, some asset-level projects implemented during the year are expected to generate aggregate yields on cost in excess of 30%, reinforcing our focus on initiatives that directly enhance net operating income or protect asset value.[39]

To improve consistency across our operating partners in Real Estate, we launched Sustainability Support Models in EMEA and APAC, partnering with regional advisors to support operating partners from asset-level planning through implementation.

In the U.S., we conducted 37 building performance standards assessments to identify material risk and potential financial impact. Where exposure to material risk was identified, we outlined compliance pathways and timelines to inform acquisition diligence, asset business plans, and capital allocation decisions.

We continued to develop our sustainability data capabilities to support asset-level monitoring and decision-making. In 2025, we completed onboarding of the relevant global Real Estate Equity portfolio into a centralized sustainability data management platform, covering more than 1,500 assets and approximately 15,000 utility meters. We also piloted AI-enabled analytics to assess year-over-year performance changes, identify key drivers, and support asset prioritization. In addition, we launched standardized decision-support toolkits to improve consistency and reduce friction in underwriting and capital planning, including a utility forecasting tool and an HVAC retrofit decision guide.

We launched a cross-functional initiative to assess how physical climate risks can translate into macro- and market-level impacts, piloted across two U.S. cities to test implications for pricing, liquidity, and operating risk, with plans to scale globally in 2026.

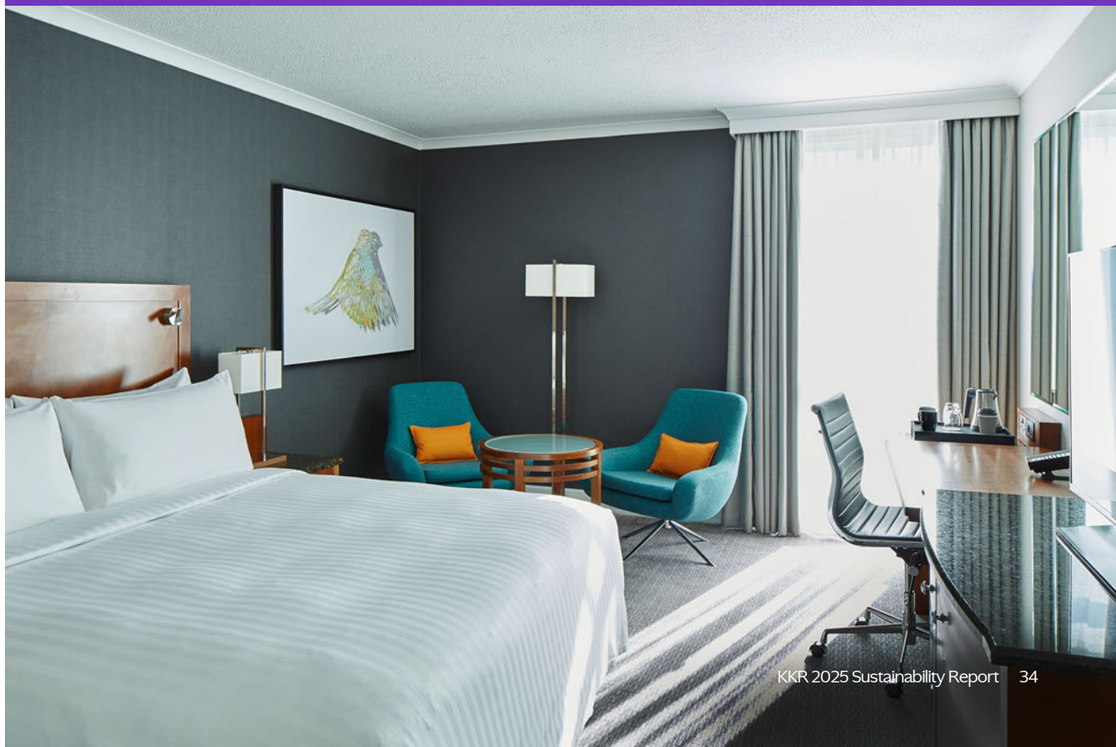
Finally, we worked to strengthen resident engagement across the U.S. multifamily portfolio as a value-protection lever, expanding our use of Bilt, a hospitality platform for housing, to over 60% of the portfolio and standardizing resident survey guidance globally.

### Looking Ahead

In 2026 and beyond, we aim to:

- Continue advancing material sustainability-related risk management and value creation through disciplined, repeatable execution aligned with operator strategies and investment timelines
- Further integrate location-specific climate and regulatory risk insights into investment and asset management decision-making, as material
- Enhance our use of AI to inform assessments of regulatory exposure, capital planning, and compliance approaches
- Further strengthen monitoring and engagement across the Real Estate Credit portfolio, informed by portfolio- and market-level insights

Hospitality asset at Heathrow Airport, London, United Kingdom.



[39]Projected annual financial benefits and yield on cost have been provided by third-party advisors. Refer to the **Cautionary Statement** for important disclosures regarding third-party sources and forward-looking statements.

## Infrastructure

KKR invests on behalf of the products it manages across a broad range of real assets that provide essential infrastructure needs such as electricity, water, and data. We believe integrating sustainability topics into the investment process is a key part of capital protection, effective asset management, and value creation.

### 2025 Progress and Highlights

We seek to work with companies across our Infrastructure portfolio to facilitate operational improvements and unlock value. A key element of our strategy involves working with companies to support the management of material sustainability risks and opportunities. As part of this program, we continued to support companies in implementing board-level oversight of sustainability issues, where relevant. We also supported them in implementing action plans and clear strategies to enhance their sustainability performance where there was a clear link to value creation. In 2025, this work included advancing physical climate risk analysis across the portfolio and engaging with investment teams and portfolio companies to better understand potential asset-level exposure and on-the-ground vulnerabilities. We also worked to deepen our understanding of emissions drivers across the more carbon-intensive segments of our portfolio to better assess sources of emissions and the costs and feasibility of decarbonization levers where material.

Safety remained a core area of focus across the Infrastructure portfolio in 2025. Building on prior efforts, we partnered with KKR's Safety Advisors to define a set of recommended critical safety practices expected across portfolio companies and launched an initial health and safety survey to identify opportunities for improvement. Our approach to safety diligence and engagement continued to emphasize critical controls, prevention, and leadership accountability. We supported companies to help them identify the key sources of risk and put remediation efforts in place.

Given the carbon-intensive nature of infrastructure as an asset class, we engaged across the portfolio to help companies evaluate where decarbonization efforts support risk mitigation or value creation. The efforts initiated in the prior year advanced our understanding of the costs, sequencing, and trade-offs associated with decarbonization, particularly within the most carbon-intensive segments of the portfolio. This analysis is intended to help companies prioritize actions aligned with value protection and creation, while managing operational, regulatory, and customer decarbonization requirements.

To strengthen connectivity and share best practices among our portfolio, we continued fostering a community of practice across the Infrastructure portfolio. In 2025, this included a series of webinars covering KKR's priorities, sustainability and value creation, physical climate risk, and third-party sustainability assessments. These forums highlighted the shared execution considerations faced across sectors and the role KKR can play in supporting companies as sustainability priorities move into implementation.

### Looking Ahead

In 2026 and beyond, we aim to:

- Help further operationalize consistent safety practices across the Infrastructure portfolio, strengthening execution, leadership accountability, and incident prevention at the asset level
- Support our portfolio companies in translating climate and decarbonization insights into action, with an emphasis on practical, cost-effective execution that supports long-term value creation and protection
- Deepen the integration of material climate risk considerations into asset management, supporting informed decision-making around resilience, preparedness, and performance
- Continue scaling cross-portfolio engagement, enable knowledge sharing and repeatable execution across a diverse and global Infrastructure platform

## Creating Value Through the Energy Transition

The energy transition requires massive amounts of capital to support the decarbonization of carbon-intensive sectors, while creating opportunities to enhance value and strengthen resilience. We believe decarbonizing energy demand and supply supports efforts to enhance energy security, affordability, and abundance.

In our view, being a responsible investor through the transition entails investing in carbon-intensive sectors where we have the ability to help enhance their decarbonization efforts, aiming to improve resilience, instead of exiting these sectors entirely. For example, where we invest in fossil fuel energy, including midstream and power through our Energy Real Assets and Infrastructure businesses, we aim to encourage progress toward a stable energy transition and responsible business practices where it is a clear driver of value creation or capital protection opportunities.

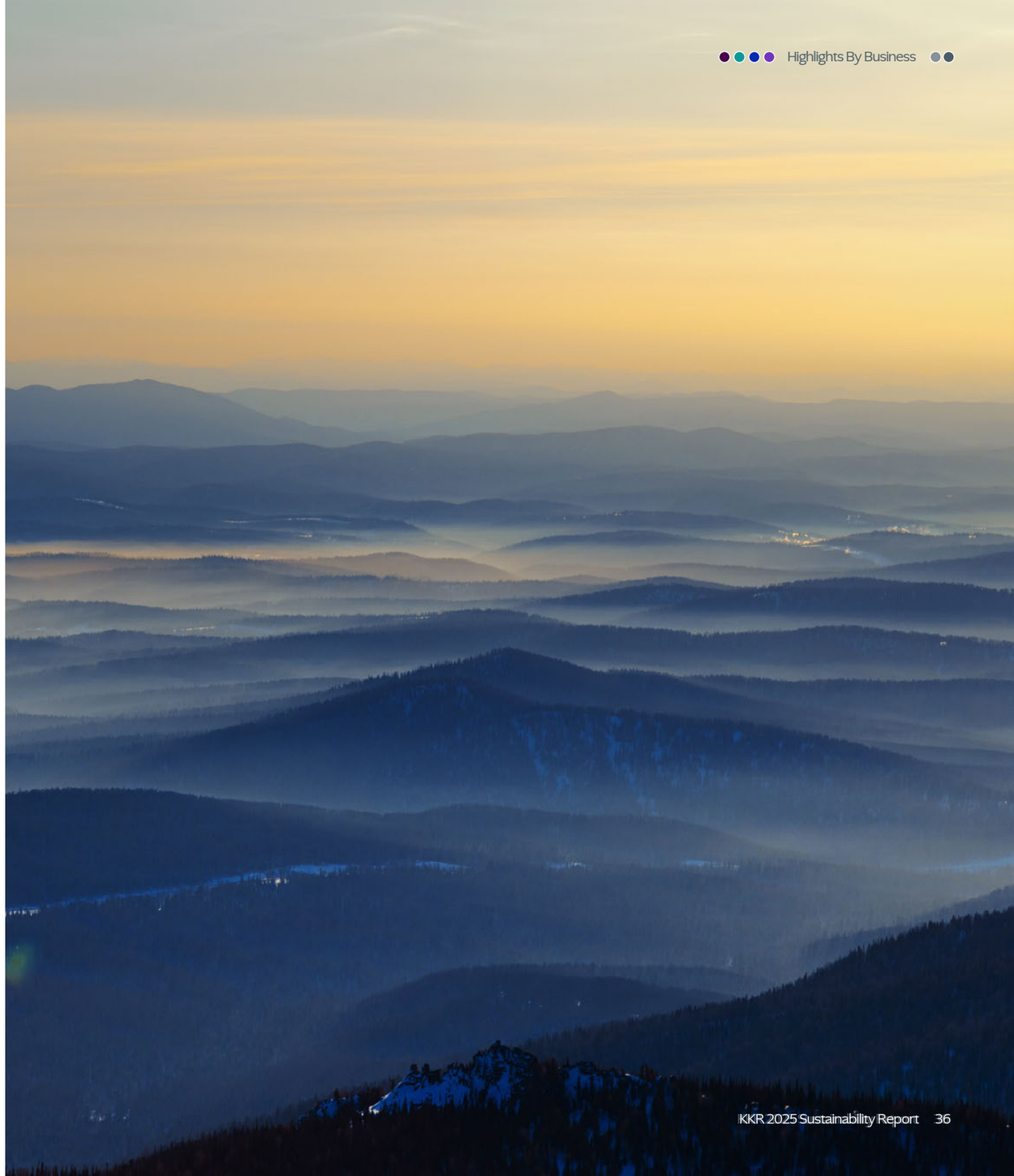
We believe that private capital is well suited to be the "patient" capital this multi-decade transition requires due to the longer-term time horizons of our investment strategies.

Applying KKR's dedicated operational resources and processes to help transition-themed investments enables us to actively support business-relevant decarbonization plans as part of value creation efforts.

- **Pre-investment:** Understanding the scope, cost, and feasibility of potential decarbonization and other improvements required during due diligence and integrating those findings into our underwriting process
- **Post-investment:** Working with management to set business-relevant, credible, and value-based targets, as material, and appropriate pathways to deliver against them, and establish the right levels of oversight and expertise at the board level

Through these efforts, we have identified opportunities to transition the business models of carbon-intensive companies in ways we believe will create differentiated returns, such as transitioning conventional power generators to renewables. KKR has invested approximately $6.8 billion in companies with explicit transition theses.[40] These investments comprise a significant portion of financed emissions associated with KKR's majority-owned private equity and real assets companies — a number we expect to increase as we identify more opportunities in this space.

[40]Includes capital invested in or committed to investments in hard-to-abate or carbon-intensive sectors, where one or more explicit transition themes were identified and established as part of the pre-investment thesis, from 2020 to December 31, 2025 by KKR funds and syndicated co-investments (including certain Global Atlantic investments). For purposes of this disclosure, hard-to-abate or carbon-intensive sectors are determined based on carbon intensity and informed by third-party frameworks.



# KKR Global Climate Transition

### Our Approach

KKR's Global Climate Transition strategy seeks to invest in solutions that enhance efficiency, affordability, resilience, and decarbonization across all sectors of the physical economy. In 2025, the strategy particularly focused on energy, buildings, transportation, clean fuels, and agriculture. Incubated within our Infrastructure platform and powered by the cross-functional expertise of teams across KKR, the strategy seeks to invest in growth infrastructure opportunities, which require significant amounts of capital.

We developed a climate investing framework to seek to consistently evaluate the emission intensity and abatement of the opportunities we pursue. That framework was developed with outside experts and advisors — such as the Center for Climate and Energy Solutions (C2ES) — and is mapped to the applicable aspects of commonly used frameworks, such as the TCFD, EU Taxonomy, SBTi, and GHG Protocol.[41]

### 2025 Highlights[42]

2025 was our second full year of investing through our Global Climate Transition strategy in the transition of high-emitting assets and other solutions. In 2025, we made three new investments — CleanPeak Energy, Dawsongroup, and EGC — bringing us to a total of six[43] investments since the launch of the strategy. These investments have already demonstrated their technological capabilities and commercial viability, yet still require large amounts of capital to scale commercially and operationally.

Over the past year, we continued working closely with companies across the portfolio to support decarbonization efforts, partnering with Dawsongroup and EGC to develop GHG emissions reduction plans and supporting Zenobē and Avantus in further maturing their decarbonization strategies.

### 2025 Investments Spotlight

## **CleanPeak Energy:** Delivering Reliable and Renewable Power Solutions for Commercial and Industrial Customers

Founded in 2017, CleanPeak Energy develops and operates distributed solar, battery storage, and embedded network solutions for commercial and industrial customers across Australia. The company operates more than 70 sites, representing over 200 MW of solar capacity and 100 MWh of battery storage, and delivers fully financed energy solutions for blue-chip corporates. KKR's strategic partnership supports the expansion of CleanPeak's platform and aims to provide more reliable, cost-effective, and lower-carbon energy for corporate Australia. This investment marks the strategy's first investment in Asia Pacific.

Read more in the **press release.**

## **Dawsongroup:** Decarbonizing Asset Leasing and Mobility

Headquartered in the UK, Dawsongroup is a diversified asset leasing platform serving customers across vehicles, temperature-controlled assets, and specialist equipment. Built on long-standing customer relationships, the company enables customers to transition their fleet towards lower-carbon technologies — including electric vehicles, battery storage, and lower-emissions solutions —without the upfront cost of ownership. KKR's investment supports the scaling of this platform, aiming to accelerate and broaden Dawsongroup's lower-carbon offering to new asset classes, while enhancing the company's financial performance.

Following the acquisition, Dawsongroup rolled out a broad-based employee ownership program, ensuring that all employees can benefit from the company's next phase of growth.

## **EGC:** Advancing Energy Efficiency Across Germany's Built Environment

EGC is a Germany-based, family-founded energy services provider focused on the decarbonization of buildings, particularly through lower-carbon heating solutions. The company covers the full energy services value chain — from planning and engineering to financing, owning, and operating central heating systems and energy networks — and manages approximately 2 million square meters of real estate for more than 100 clients.

With KKR as a strategic partner, EGC aims to scale solutions that help real estate owners reduce Scope 1 GHG emissions from building operations, a critical component of Europe's energy transition. Demonstrating its market traction, EGC signed an agreement in early 2026 with a major German housing company to help decarbonize 500 properties, a project expected to reduce $CO_2$ emissions by approximately 13,000 tonnes annually. More recently, KKR has supported the company in introducing a broad-based employee ownership model, allowing employees to participate in the benefits of equity ownership.

Read more in the **press release.**

[41]The EU Taxonomy, the SBTi, and the GHG Protocol frameworks were considered as they existed in 2023 and do not account for any updates that may have taken place.
[42]Please refer to the **Cautionary Statement** for important disclosures regarding case studies, case study selection, and information provided by portfolio companies, including forward-looking statements and estimates.
[43]The 2024 Sustainability Report stated that there were five investments since the launch of the Global Climate Transition strategy, which included two investments signed in 2025. The reported total now reflects only investments signed through the applicable reporting year.

**By the Numbers**

$219 B

total assets under management, including $164 B Credit AUM

3.5 M+

policyholders

# Insurance

Global Atlantic is a leading retirement and life insurance company, with an over 20-year track record of providing a broad suite of protection and savings products to policyholders and reinsurance solutions to clients across individual and institutional markets. Since the beginning of the strategic partnership between KKR and Global Atlantic in 2021, our work together has been transformative for both companies. We believe that our work originating and managing assets and developing opportunities for Global Atlantic enhances our expertise for the benefit of our global insurance clients and policyholders. KKR acquired a majority controlling interest in Global Atlantic in 2021, and acquired the remainder of Global Atlantic in 2024, increasing our ownership to 100%.

With respect to Global Atlantic's investment portfolio, its assets are primarily managed by KKR, which has engaged Goldman Sachs Asset Management LP (GSAM) to manage certain liquid credit Global Atlantic assets. Both KKR and GSAM have adopted responsible investment policies of their own. Global Atlantic believes both KKR and GSAM have thoughtfully sought to integrate responsible investment practices into relevant investment strategies.

**2025 Progress and Highlights**

2025 was a year of continued integration and execution for KKR and Global Atlantic, including further strengthening our joint sustainability efforts to support value creation for our investments, communities, and employees, and honor policyholder obligations across economic cycles. In 2025, we updated our Responsible Investment Policy to reflect our latest practices and initiatives, including the addition of our Insurance business under the Policy.

In 2025, KKR's Insurance and Infrastructure teams worked together on several investments, including an equity investment in a portfolio of renewable energy assets alongside TotalEnergies.

The transaction involved the acquisition of a 50% stake in a 1.4 GW portfolio of solar projects across the U.S. and Canada, comprising both utility-scale solar and distributed generational assets. This investment illustrates how insurance capital can be deployed alongside a leading global energy company to support the expansion of renewable energy infrastructure. By investing in large-scale solar assets, we believe that the transaction contributes to the delivery of lower-carbon electricity while enhancing energy security, affordability, and long-term supply, and aligning with long-term ownership and operational stewardship of critical energy infrastructure.[44]

**Looking Ahead**

KKR and Global Atlantic believe continued integration will support new growth opportunities and help us create more value for the individuals and institutions we serve. In 2026 and beyond, we aim to:

- Continue to help policyholders navigate an evolving retirement landscape by providing high-quality, accessible retirement and insurance solutions
- Enhance alignment of our responsible investment practices across asset classes in our portfolio

KKR's Responsible Investment Policy

GSAM's Statement on Sustainable Investing is available at am.gs.com.

Manu Sareen and Billy Butcher, Co-Chief Executive Officers of Global Atlantic.

[44]Total Energies, Renewables: TotalEnergies Divests 50% of 1.4 GW Solar Portfolio in North America, 2025.

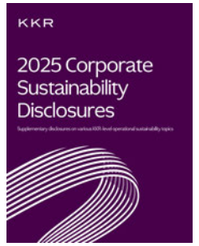
# How We Manage Our Firm

Our sustainability approach is grounded in the belief that companies focused on operational excellence are better positioned for long-term success. This perspective also informs how we operate as a firm — whether through promoting responsible business practices, investing in our people, or engaging with our communities.

The following section summarizes our approach to various KKR-level operational sustainability topics found in our **2025 Corporate Sustainability Disclosures**, including: human capital, governance and business ethics, operational footprint, data responsibility, and corporate citizenship.

# How We Manage Our Firm

We provide supplementary disclosures that offer additional insight into how sustainability is integrated across our business. These disclosures focus on the topics we consider most material to both our stakeholders and our operations. Together, they present a more comprehensive view of our firm-wide sustainability practices and performance.




KKR's 2025 Corporate Sustainability Disclosures

Emmanuel Lagarrigue and Charlie Gailliot at KKR's 2025 Americas Investors' Meeting.

## Human Capital

We believe our people and our culture are critical to our success and differentiate our firm. The primary objective of human capital management at KKR is to attract, develop, and retain exceptional talent by providing everyone with meaningful and well-understood careers with an emphasis on employee training and professional development. As a people-driven business, we believe a breadth of perspectives, skills, and experiences working together collaboratively is the most effective means of producing exceptional results.

### 2025 Highlights

**87%**

acceptance rate for 2025 summer analysts who received a full-time offer

**~1,200**

employees trained through skills-based development workshops

**71%**

of our global employees are affiliated with at least one Employee Resource Group

## Governance and Business Ethics

We are dedicated to employing the highest standards of integrity in all our dealings. With oversight from the Board of Directors of KKR & Co. Inc., the management team aspires to nourish a culture that goes beyond risk management and compliance, and values responsible business practices, personal integrity, and ongoing communication. We believe this commitment to operating ethically creates long-term value for our clients and shareholders.

## Operational Footprint

We aim to improve resource efficiency to reduce our operational footprint and minimize environmental impacts. We are proactive in managing KKR's direct footprint, including through efforts to reduce GHG emissions from our own operations. Since 2018, we have been tracking our GHG footprint and working to reduce our emissions.

## Data Responsibility

Data responsibility at KKR encompasses cybersecurity and data privacy — both vital to maintaining operational integrity and stakeholder trust. We employ a systematic approach to safeguarding data and information security, and as cyber threats evolve, we seek to prioritize the continuous improvement of our data responsibility processes. We are also committed to the ethical, responsible, and compliant use of AI, managed through a formal, cross-functional governance process.

## Corporate Citizenship

KKR's Corporate Citizenship platform helps build stronger communities through philanthropy, employee engagement, and scalable community programs where we operate. We strive to take a holistic approach leveraging the dedication and expertise of our global team and collaborating on programs that create pathways for economic mobility. We see this as a win-win — generating positive social outcomes while enhancing employees' experience and connection to KKR.

### 2025 Highlights

**$14.5 M**

in grants provided through Corporate Citizenship programs

**2,500+**

KKR employees participated in KKR Cares through volunteering, matching gifts, and nonprofit board service

# Appendix

# Industry Engagement

## Channels and Topics of Engagement

This table outlines channels and methods of engagement on various sustainability topics with key stakeholder groups, along with examples of engagement during 2025.

| KEY STAKEHOLDER GROUPS | CHANNELS AND METHODS OF ENGAGEMENT | 2025 EXAMPLES |
|---|---|---|
| Investors in Our Products | • Annual meetings<br>• Due diligence questionnaires (DDQs)<br>• One-on-one engagement, including dialogues and road shows<br>• Website, annual sustainability reports, and other quarterly and ad hoc reporting<br>• Updates via our data site and investor portal | We engaged with our investors on sustainability topics in multiple ways, including through due diligence discussions, questionnaires, and product-specific reports highlighting sustainability priorities and progress. |
| KKR & Co. Inc. Stockholders | • Website, annual sustainability reports, and other quarterly or ad hoc reporting<br>• Investor presentations<br>• One-on-one conversations and queries from stockholders with IR and Sustainability professionals<br>• Engagement with select sustainability ratings providers, whose rating assessments may be referenced by our stockholders | We met with certain stockholders as part of their regular stewardship approach to discuss sustainability-related topics. In turn, this helped us better understand their priorities and inform our sustainability approach as we prepare for the transition to a one-share, one-vote structure. |
| Portfolio Companies | • One-on-one support and value creation activities via KKR Capstone and other teams<br>• Sustainability webinars and events, tools, and resources across a variety of topics<br>• Sustainability data collection surveys | We continued our Sustainability Regulatory webinar series launched in 2024 to support the needs of our portfolio companies. The webinar series acts as a source of information from external experts about certain major, current, or proposed sustainability-related regulations and standards that may be relevant for our portfolio companies. |
| KKR Employees | • Centralized sustainability guidance and resources shared on KKR's intranet (KKR Central)<br>• KKR-wide and functional sustainability-focused trainings, presentations, email updates, and regulatory trainings | We provided sustainability-focused presentations as part of the new Analyst and Associate Orientation, as well as asset class-specific trainings for certain investment teams. In addition, we introduced an evolved sustainability newsletter for select employees to share updates, insights, and resources on emerging sustainability topics. |
| External Experts | • Expert consulting and insight on sustainability-related topics and emerging trends | As part of our efforts to strengthen our understanding of how climate-related risks and opportunities may affect our business and operations over time, we partnered with an external consultant in 2025 to complete an assessment across multiple climate scenarios. |

Learn more about our **memberships and affiliations**.

### Proactively Monitoring an Evolving Landscape to Enhance Our Approach

Recent years have brought a significant increase in sustainability-related disclosure expectations and heightened scrutiny from stakeholders, accompanied by an expansion of both voluntary and mandatory frameworks. To stay abreast of this evolving landscape, we continue to monitor ongoing changes in disclosure frameworks, including the International Financial Reporting Standards (IFRS) Sustainability Standards. Additionally, we monitor regulatory developments and related disclosure requirements at KKR as well as more broadly at the KKR & Co. Inc. level, including the EU Sustainable Finance Disclosure Regulation (SFDR), the EU Corporate Sustainability Reporting Directive (CSRD), the UK Financial Conduct Authority's (FCA) ESG Sourcebook, those put forth by the U.S. Securities and Exchange Commission (SEC), and California's SB 253, SB 261, and AB 1305, among others. We believe our reporting approach for KKR and our investment products, particularly our focus on materiality and consideration of third-party standards and frameworks like the SASB Standards and TCFD recommendations, has positioned us well to address increasing stakeholder expectations and information needs. We are also working to understand the overall implications of this evolving landscape for KKR moving forward.

Read more at KKR's Resource Center on **kkr.com**.

# Glossary

Our Glossary lists key sustainability-related terms used in this report and aims to provide clarity on our interpretations and definitions. For additional defined terms, including the definitions and uses of "KKR," refer to the **Cautionary Statement** at the end of this report.

**Business-Relevant Decarbonization Plan:** At KKR, we consider a business-relevant decarbonization plan at a portfolio company to include, where applicable: portfolio company board-level oversight of its climate strategy, Scopes 1 and 2 GHG emissions measurement, and GHG emissions reduction targets, which may be aligned to a science-based net-zero pathway or a benchmark. KKR supports portfolio companies in implementing these practices where they protect capital and create long-term value.

**Engagement:** How KKR supports portfolio companies to strengthen management of material sustainability topics and to create long-term value, including, where relevant, cross-portfolio topics managing material climate-related risks and opportunities, fostering employee engagement, and protecting data and cybersecurity.

**Sustainability Integration (also referred to as "responsible investment"):** In line with our Responsible Investment Policy, sustainability integration describes our approach to integrating and managing material sustainability considerations in our investment processes globally across asset classes. See "materiality" definition to the right.

**Sustainability Management:** How a company manages material sustainability topics and engages with its stakeholders.

**Financed Emissions:** "Financed emissions" are the GHG emissions attributable to a company's lending and investing activities. These emissions are categorized under Scope 3.15 in the GHG Protocol.

**Impact Investing:** As defined by the Operating Principles for Impact Management — of which Kohlberg Kravis Roberts & Co. L.P. is a founding signatory — impact investing is the practice of investing in companies and organizations with the intent to contribute to measurable positive social or environmental outcomes alongside financial returns. As part of KKR's Global Impact strategy, we invest in companies whose core product or service seeks to provide a solution to a critical environmental or social structural challenge, as defined by the UN SDGs, thereby aiming to drive positive, measurable outcomes or impact.

**Materiality:** Defines sustainability issues that have — or have the potential to have — a substantial impact on an organization's ability to protect capital and create economic value. In this report, we are not using such terms "material" or "materiality" as they are used under the securities or other laws of the United States or any other jurisdiction, or as they are used in the context of financial statements or financial reporting. For additional important information, see the **Cautionary Statement.**

# Endnotes

**Footnotes 11 and 15. 2025 Sustainability Data Collection Metrics**

The scope of the 2025 sustainability survey data includes 276 portfolio companies and underlying operating companies within platform investments across Private Equity, Infrastructure, Energy, and certain Credit strategies. The survey also includes data from 1,867 Real Estate assets, with 41 operating partners. For these metrics, the denominator used is the number of companies and investment vehicles for which we have data ("Responding Entities"). Sustainability portfolio insights are calculated with respect to those Responding Entities and not the entire portfolio.

**Footnote 12. KKR's Financed Emissions**

*Scope*

In-scope business lines for our 2025 financed emissions include: Private Equity, Real Assets, Leveraged Credit, Alternative Credit, and Insurance. In certain circumstances, individual portfolio companies with financed emissions we consider to be *de minimis* or asset classes where there is no widely-accepted methodology (e.g. municipal bonds) are excluded from KKR's total due to limited data availability and/or quality.

*Methodology*

"Financed emissions" are the GHG emissions resulting from a company's lending and investing activities. These emissions are categorized under Scope 3.15 in the GHG Protocol. A global standard for measuring and reporting financed emissions is the Partnership for Carbon Accounting Financials (PCAF) — an extension of GHG Protocol section 3.15. KKR's financed emissions calculations closely follow the PCAF approach and include KKR's attributable share of the absolute Scope 1 and 2 GHG emissions of our in-scope investments as well as the Scope 3 (tenant) emissions of our Real Estate business. KKR's attributable share is proportional to the capital invested in a company as a percentage of the company's total enterprise value.

By normalizing portfolio company performance according to its respective share of KKR's total financed emissions, we are able to better understand performance based on attributable climate impact. With reference to the guidance provided by third-party frameworks, for the purposes of portfolio governance, monitoring, and reporting, KKR considers financed emissions to be:

- "Directly measured" when a company reports its material Scope 1 and 2 emissions using primary physical activity data and emissions factors specific to that primary data
- "Addressed by "business-relevant decarbonization plans" when such plans include, where applicable: portfolio company board-level oversight of its climate strategy, Scopes 1 and 2 GHG emissions measurement, and GHG emissions reduction targets, which may be aligned to a science-based net-zero pathway or a benchmark

**Note on Data Quality:** KKR's financed emissions data presented herein is collected and calculated on a best-effort basis, using a combination of third-party data, which includes estimates based on economic and operational metrics where available, and data gathered directly from investments, which relies on the accuracy and completeness of data provided by management teams. Where companies measure GHG emissions but data was not available at time of publication, KKR estimated 2025 GHG emissions based on a combination of financial and other GHG emissions data.

While KKR cannot guarantee the completeness of the data presented, we extensively review the data provided and engage directly with certain investments to improve its quality. We expect GHG data quality in general to improve as approaches mature and, in turn, KKR's data quality to improve over time.

**Footnote 36. KKR Global Impact, Citation Investment Spotlight**

Data presented reflects performance throughout the 2025 calendar year. The percentage less likely to suffer a fatality was calculated by comparing the incidence rate of work-related fatal occupational injuries per 100,000 employees among Citation's UK health and safety clients with the UK average for fiscal year 2024/25 from the UK Health and Safety Executive, the most recent data available. The percentage less likely to receive an employment tribunal claim was calculated by comparing the number of employment tribunal claims per 100,000 employees among Citation's UK Human Resources clients covered by Citation's Employee Advice Guarantee with the UK average for fiscal year 2024/25, the most recent data available. This average was calculated using employment tribunal claim data from the UK Ministry of Justice and workforce data from the Office for National Statistics.

# Cautionary Statement

"KKR" means Kohlberg Kravis Roberts & Co. L.P. and its corporate affiliates that operate KKR's legacy asset management business, which includes its capital markets subsidiaries but does not include The Global Atlantic Financial Group LLC or its subsidiaries ("Global Atlantic") or any other subsidiaries of KKR & Co. Inc., including KJR Management and its subsidiaries ("KJRM"). "KKR" includes the investment funds, vehicles, and accounts advised by KKR, as the context requires, but does not include the portfolio companies owned by KKR's investment funds, vehicles and accounts. References to KKR & Co. Inc. in this report refer to KKR & Co. Inc. and its subsidiaries, as the context requires. "We" and "our" refer to KKR & Co. Inc., KKR or Global Atlantic, as the context requires. For further information on the scope of KKR's Responsible Investment Policy, see the publicly available Responsible Investment Policy at www.kkr.com. Notwithstanding the foregoing or any other statements made in this report, including the particular defined terms used throughout, the disclosures in this report do not purport to be applicable to, or derived from, all of the legal entities, business units, activities or operations constituting KKR & Co. Inc., KKR or Global Atlantic, as defined.

Certain key non-GAAP and other operating and performance measures that were used by management in making operational and resource deployment decisions as well as assessing the performance of KKR & Co. Inc.'s business for the year ended December 31, 2025 are included in this report. This includes certain financial measures that are calculated and presented using methodologies other than in accordance with U.S. generally accepted accounting principles ("GAAP"). We believe that providing these non-GAAP 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 are in addition to, and not a substitute for, measures of financial and operating performance prepared in accordance with U.S. GAAP. We also caution readers that these non-GAAP financial measures may differ from the calculations made by other investment managers, and as a result, may not be directly comparable to similarly titled financial measures presented by other investment managers. While we believe that providing these non-GAAP measures is helpful to investors in assessing the overall performance of KKR's business, they may not include all items that are significant to an investor's analysis of our financial results. Please see the 2025 10-K for definitions ascribed to our key non-GAAP and other operating and performance measures, a reconciliation of non-GAAP measures to comparable GAAP measures, cautionary disclosures relating to forward-looking statements, and other important information about KKR.

This report documents activities and includes financial and performance data which are as of December 31, 2025, unless otherwise noted. This report is dated June 23, 2026 and speaks only as of such date, unless otherwise stated, and access to this report at any given time shall not give rise to any implication that there has been no change in the facts set forth in this report since such date. This report is not, and shall not be construed, as an offer to purchase or sell, or the solicitation of an offer to purchase or sell any securities in any jurisdiction.

### Past Performance and Investment Returns

Past performance is not a guarantee of future results. Information about any fund or strategy and investments made by such fund or strategy, including past performance of such fund, strategy or investment, is provided solely to illustrate KKR's investment experience, and processes and strategies used by KKR in the past with respect to such funds or strategies. The performance information relating to KKR's historical investments is not intended to be indicative of any fund's or strategy's future results or the future results of KKR. Certain funds or strategies are also relatively new and their limited historical results may not be indicative of results they will experience over a longer period of time. There can be no assurance that any KKR entity (including any KKR investment fund, vehicle or account, or Global Atlantic) will achieve results comparable to any results included in this report, or that any investments made by a KKR entity now, in the past or in the future will be profitable, or that KKR entities will find investment opportunities similar to any presented in connection with this report. Actual realized value of currently unrealized investments will depend on, among other factors, the value of the investments and market conditions at the time of disposition, related transaction costs, the timing and manner of sale, and many of the risks described in the forward-looking statements section of this Cautionary Statement, all of which may differ from the assumptions and circumstances on which the currently unrealized valuations are based. Accordingly, the actual realized values of unrealized investments may differ materially from the values indicated herein.

### Third Party Sources and Other Information

Certain information presented in this report has been developed internally or obtained from sources believed to be reliable; however, KKR does not give any representation or warranty as to the accuracy, adequacy, timeliness or completeness of such information, and assumes no responsibility for independent verification of such information.

### Forward-Looking Statements

This report contains certain forward-looking statements pertaining to KKR, including investment funds, vehicles and accounts managed by KKR and Global Atlantic. You can identify these forward-looking statements by the use of words such as "opportunity," "outlook," "believe," "think," "expect," "potential," "continue," "may," "seek," "approximately," "predict," "intend," "will," "plan," "estimate," "visibility," "positioned," "path to," "conviction", the negative version of these words, other comparable words or other statements that do not relate strictly to historical or factual matters. Forward-looking statements relate to expectations, estimates, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts, including but, not limited to, any statements with respect to: statements regarding KKR's business, financial condition, and operations; the potential for future business growth; non-GAAP and segment measures and performance metrics; KKR's ability to grow its AUM, to deploy capital, to realize unrealized investment appreciation, and the time period over which such events may occur; KKR's ability to manage the investments in and operations of acquired companies and businesses; the effects of any transactional activity on KKR's operating results, including pending sales of investments; expansion and growth opportunities and other synergies resulting from acquisitions of companies (including the acquisition and integration of Global Atlantic), internal reorganizations or strategic partnerships with third parties; the timing and expected impact to our business of any new investment fund, vehicle or product launches.

These forward-looking statements are based on KKR's beliefs, assumptions and expectations, taking into account all information currently available to it. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to KKR or are within its control. The use of words such as "consistent," "trends," or comparable words or other statements is not a guarantee of future performance or that any other statements to which these apply are guaranteed to occur. If a change occurs, forward-looking statements made as part of this report may vary materially from those expressed in the applicable forward-looking statements.

These forward-looking statements include target, goal, hypothetical or estimated results, projections and other comparable phrases and concepts are hypothetical in nature and are shown for illustrative, informational purposes only. Except as otherwise specifically stated, this information is not intended to forecast or predict future events, but rather to show the hypothetical estimates calculated using the specific assumptions presented herein. It does not reflect any actual results, which may differ materially. Certain of the forward-looking information has been made for illustrative purposes and may not materialize. No representation or warranty is made as to the reasonableness of the assumptions made or that all assumptions used in calculating the target, goal, hypothetical or estimated results have been stated or fully considered. Changes in the assumptions may have a material impact on the target, goal, hypothetical or estimated results presented. Target, goal, hypothetical or estimated results or projections may not materialize.

These statements are subject to numerous risks, uncertainties and assumptions, including those listed here in the above paragraphs and described under the section entitled "Risk Factors" in KKR & Co. Inc.'s Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 27, 2026, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. These factors should not be construed as being exhaustive and should be read in conjunction with the other cautionary statements that are included in this report and in KKR & Co. Inc.'s filings with the SEC.

All forward-looking statements speak only as of the date of this report. KKR does not undertake any obligation to update any forward-looking statements to reflect circumstances or events that occur after the date on which such statements were made except as required by law.

**KKR Entities**

Nothing in this report is intended to constitute, and shall not be construed as constituting, the provision of any tax, accounting, financial, investment, insurance, regulatory, legal or other advice by KKR, KKR & Co. Inc., or its representatives. Without limiting the foregoing, this report is not and shall not be construed as an "advertisement" for purposes of the Investment Advisers Act of 1940, as amended, or an offer to purchase or sell, or the solicitation of an offer to purchase or sell, any security, service or product of or by any KKR or KKR & Co. Inc. entity, including but not limited to any investment advice, any investment fund, vehicle or account, any capital markets service, or any insurance product, including but not limited to (i) any investment funds, vehicles or accounts sponsored, advised or managed by (or any investment advice from) Kohlberg Kravis Roberts & Co. L.P., KKR Credit Advisors (US) LLC, KKR Credit Advisors (Ireland) or other subsidiary, (ii) any capital markets services by KKR Capital Markets LLC ("KCM") or any KCM affiliate outside the United States, or (iii) any insurance product or reinsurance offered by Accordia Life and Annuity Company, Commonwealth Annuity and Life Insurance Company, First Allmerica Financial Life Insurance Company, Forethought Life Insurance Company, Global Atlantic Re Limited, Global Atlantic Assurance Limited or any other Global Atlantic owned or sponsored insurance company, or any investment or insurance product or reinsurance offered by any insurance-related vehicle sponsored or managed by Global Atlantic.

Each KKR and KKR & Co. Inc. entity is responsible for its own financial, contractual and legal obligations. This report has been prepared solely for informational purposes. This report is not intended to make, and does not make, any financial or investment recommendation or otherwise promote a product or service of KCM or any of its affiliates.

**Sustainability**

The United Nations Sustainability Development Goals ("SDGs") are aspirational in nature. Investors should not place undue reliance on KKR's application of the SDGs, as such application is subject to change at any time and in KKR's sole discretion. Further, statistics and metrics relating to our sustainability matters, including greenhouse gas ("GHG") metrics, are estimates and may be based on assumptions or developing standards (including KKR's internal standards and policies) and, as a result, may be hypothetical in nature and may vary materially. Such statistics and metrics, including those relating to our financed emissions and the number of portfolio companies associated with such emissions, are subject to change in the future.

KKR's sustainability initiatives, policies, and procedures are subject to KKR's fiduciary or similar duties and applicable legal, regulatory, and contractual requirements. There can be no assurance that KKR's policies and procedures as described in this report, including policies and procedures related to sustainability or the application of sustainability-related criteria or reviews to the investment process, including any scorecard, will continue; such policies and procedures could change, even materially, or may not be applied to a particular investment at KKR's discretion, based on cost, timing, or other considerations. The degree of influence that sustainability checklists and scorecards in certain strategies have on the investment process varies based on the applicable investment strategy and may otherwise vary on a case-to-case basis. The actual investment process used for any particular investment may differ materially from the process described herein. There is no guarantee that KKR will remain a signatory, supporter, or member of any Sustainability, Impact, or Responsible Investment initiatives or other similar industry frameworks.

Statements about sustainability initiatives or practices related to portfolio companies do not apply in every instance and depend on factors including, but not limited to, the relevance or implementation status of a sustainability initiative, to or within, the portfolio company; the nature and/or extent of investment in, ownership of or, control or influence exercised by KKR with respect to the portfolio company; and other factors as determined by investment teams, corporate groups, asset management teams, portfolio operations teams, companies, investments, and/or businesses on a case-by-case basis. Sustainability factors are only some of the many factors KKR considers in evaluating an investment, and there is no guarantee that consideration of sustainability factors will enhance long-term value and financial returns for investors. To the extent KKR engages with portfolio companies on sustainability-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial performance or risk profile of the investment. In addition, the act of identifying and evaluating material sustainability factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by KKR will correlate with the perceived material sustainability risks, views, internal policies or preferred practices of investors, other asset managers or with market trends.

Case studies presented herein are for illustrative purposes only, and have been selected in order to provide examples illustrating KKR's application of its sustainability policies and procedures with respect to its portfolio investments and do not purport to be a complete list thereof. Certain information was provided by third parties, including KKR's portfolio investments, and in certain cases has not been updated through the date hereof. The specific investments/portfolio companies identified are not representative of all of investments purchased, sold or recommended by KKR, and it should not be assumed that the investment in the companies identified was or will be profitable. This Report does not represent the full depth of information discussed and analyzed with respect to the applicable investments and does not contain the full set of considerations evaluated. Investments of the type presented herein may not be included in any future fund sponsored by KKR and there is no guarantee that KKR will employ the same techniques with any future investment strategy. Case studies are selected to reflect a representative mix of investments across strategies. The selection aims to maintain balanced geographic representation and highlight a range of sustainability topics, while prioritizing investments not recently featured in prior reports.

Descriptions of any sustainability or impact achievements or improved practices or outcomes are not necessarily intended to indicate that KKR has substantially contributed to such achievements, practices, or outcomes. For instance, KKR's sustainability efforts may have been one of many factors contributing to the success described in each of the selected case studies. Further, the receipt of any awards or designations by KKR, KKR & Co. Inc., or the portfolio companies described herein is no assurance that KKR's investment objectives have been achieved or successful. Further, such awards are not, and should not be deemed to be, a recommendation or evaluation of KKR's investment management business. Any such awards or designations presented herein are the opinion of the respective parties conferring the award or designation and not of KKR, KKR & Co. Inc., or the portfolio company. KKR, KKR & Co. Inc., or the portfolio company may have paid a fee to participate in such awards or assessments. The receipt of compensation influences, and is likely to present a potential material conflict of interest, relating to any granted award or designation. There can be no assurance that other providers or surveys would reach the same conclusions.

Certain information contained herein relating to any goals, targets, intentions, or expectations, including with respect to net-zero targets and related timelines, is subject to change, and no assurance can be given that such goals targets, intentions, or expectations will be met. Further, the information included herein does not imply that KKR sets any greenhouse gas emissions-related goals, targets, intentions, or expectations, including with respect to net-zero targets and related timelines. These statements are subject to numerous risks, uncertainties and assumptions.

In this report, we are not using such terms as "material" or "materiality" as they are used under the securities or other laws of the U.S. or any other jurisdiction, or as they are used in the context of financial statements and financial reporting. Materiality, for purposes of this report should not, therefore, be read as equating to any use of the word in other KKR reporting or statements. "Material" sustainability issues are defined as those issues that KKR, in its sole discretion, determines to have — or have the potential to have — a substantial impact on an organization's ability to create or preserve economic value. Any discussion of sustainability-related topics that are potentially material to a portfolio company refers only to the materiality of such topic to a portfolio company and does not imply or indicate that such topic is material to KKR or KKR & Co. Inc.

KKR

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