

KKR

KKR & Co. Inc.  
Strategic Update

November 29, 2023



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This presentation includes certain non-GAAP measures, including after-tax distributable earnings (or DE) and fee related earnings (or FRE). 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. 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 Appendix for additional important information about the non-GAAP measures presented herein.

Please see the Appendix for other important information. In addition, information about factors affecting KKR, including a description of risks that should be considered when making a decision to purchase or sell any securities of KKR & Co. Inc., can be found in KKR & Co. Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on February 27, 2023 and its other filings with the SEC, which are available at [www.sec.gov](http://www.sec.gov).

From time to time, we may use our website as a channel of distribution of material information. Financial and other material information regarding KKR is routinely posted on and accessible at [www.kkr.com](http://www.kkr.com). Financial and other important information regarding Global Atlantic is routinely posted on and accessible at [www.globalatlantic.com](http://www.globalatlantic.com). Information on these websites are not incorporated by reference herein and are not a part of this presentation.

# What We Are Announcing Today

- 1 Acquiring remaining stake in Global Atlantic for ~\$2.7 billion in cash, increasing ownership from 63% to 100%
- 2 Creating new Strategic Holdings segment
- 3 Modifying compensation ratios
- 4 Introducing new segment reporting framework

**KKR expects to implement these changes in connection with reporting its 1Q'24 earnings, contingent on the closing of the GA acquisition in 1Q'24**

Note: The ~\$2.7 billion expected purchase price is an estimate based on various assumptions, and the actual purchase price may differ from the estimate presented. See Appendix for important information regarding the GA transaction and assumptions and cautionary factors about forward-looking statements.

# Why We Are Making These Changes

## Change

Acquiring remaining 37% stake  
in Global Atlantic

Creating new Strategic  
Holdings segment

Modifying compensation ratios

New segment reporting framework

## Rationale

- More value for more clients
- More investing synergies
- Full alignment



**Faster  
Growth  
Anticipated**

- Core PE portfolio of sufficient scale to merit standalone reporting
- Portfolio positioned to pay annual, recurring dividends:
  - \$300+ million in 2026E
  - \$600+ million in 2028E
- Modifying compensation ratios to be even more success-based
- More Fee Related Earnings
- Creates greater alignment
- Three more recurring forms of earnings together create a new key metric, Total Operating Earnings:
  - Fee Related Earnings
  - Strategic Holdings Operating Earnings
  - Insurance Operating Earnings

Note: The \$300+ million and \$600+ million estimates of expected annual, recurring dividends in 2026 and 2028, respectively, are estimated based on various assumptions, and there is no guarantee that our expectations will be realized as presented. See Appendix for important information regarding estimates and assumptions and cautionary factors about forward-looking statements.

# Compelling Value Creation Opportunity

## Change

Acquiring remaining 37% stake  
in Global Atlantic

Creating new Strategic  
Holdings segment

Modifying compensation ratios

New segment reporting framework

## 2024 Expected % Accretion

10%+ to Fee Related  
Earnings per share

~20% to Total Operating  
Earnings per share

~10% to After-tax Distributable  
Earnings per share

**Accretive Across Key Financial Metrics**

Note: All references to shares in this presentation are to adjusted shares. The estimates of 2024 expected % accretion per share relating to Fee Related Earnings, Total Operating Earnings and After-tax Distributable Earnings per share are estimated based on various assumptions, and there is no guarantee that our expectations will be realized as presented. These estimates also assume the GA transaction closes on January 1, 2024. There can be no guarantee the transaction closes on that date. See Appendix for important information regarding estimates and assumptions and cautionary factors about forward-looking statements.

**Given strong performance and our conviction looking forward, alongside today's announcements, we are increasing our 2026 Fee Related Earnings target:**

**\$4+**  **\$4.50+**  
per share per share

Note: Our expectations about future Fee Related Earnings has been estimated using various assumptions, and there is no guarantee that our expectations will be realized as presented. See Appendix for important information regarding estimates and assumptions and cautionary factors about forward-looking statements.

# Outcomes of These Changes

## Change

Acquiring remaining 37% stake  
in Global Atlantic

Creating new Strategic  
Holdings segment

Modifying compensation ratios

New segment reporting framework

## Expected Outcomes



More Growth



More Recurring Earnings



More Visibility



More Diversification



More Earnings Power

**Increasing 2026 FRE Target from \$4+ to \$4.50+ per share**

Note: See Appendix for cautionary factors about forward-looking statements.

# Result → Multiple Ways to Win

## Asset Management

- We operate in large, global markets with secular tailwinds
- Highly differentiated investment platforms
- Multiple paths to surpass \$1 trillion of AUM

## Insurance

- Increased alignment
- More asset origination
- Global expansion
- \$158 billion of GA AUM
- Path to double AUM

## Strategic Holdings

- Core Private Equity holdings are more mature
- Scaled portfolio with ~\$775 million look-through EBITDA<sup>(1)</sup>
- Recurring, quarterly dividends with attractive growth trajectory
- Significant, continued growth opportunity

Note: These figures are estimated based on various assumptions, and there is no guarantee that our expectations will be realized as presented. See Appendix for important information regarding estimates and assumptions and cautionary factors about forward-looking statements.

(1) Represents KKR's proportionate ownership of the underlying EBITDA of the Core PE portfolio companies as of 2Q'23 LTM. See page 19 and endnotes for more information.

# KKR's More Recurring Earnings Are Expected To Increase



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**We expect approximately 70% of pre-tax earnings to be more recurring in nature  
with the implementation of today's announcements**

Note: These figures are estimated based on various assumptions, and there is no guarantee that our expectations will be realized as presented. See Appendix for important information regarding estimates and assumptions and cautionary factors about forward-looking statements.



100% Ownership of  
Global Atlantic

# Global Atlantic Overview

Leading insurance company meeting the retirement and life insurance needs of individuals and institutions

- Founded at Goldman Sachs in 2004 and separated as an independent company in 2013
- Acquired by KKR as a majority owned subsidiary in 2021
- Since the announcement of KKR's original acquisition, Global Atlantic AUM has more than doubled<sup>(1)</sup>

## Performance Highlights

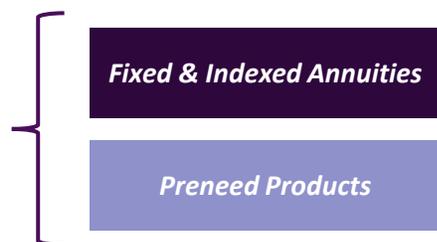


Note: AUM CAGR represents the rate from 2Q'20 Global Atlantic AUM of \$73 billion to 3Q'23 Global Atlantic AUM inclusive of the MetLife transaction. Adjusted Operating Earnings (AOE) or insurance operating earnings is shown pre-tax and assumes 100% constant ownership from 1Q'21 to 3Q'23. 1Q'21 is shown on a quarterized basis. See Appendix endnotes for footnote references and further important information regarding these performance highlights.

# Global Atlantic – Complementary Channels

## Individual Markets

Annuity and Life Insurance Products for Individuals



**Top 5**

Fixed Annuity Carrier<sup>(1)</sup>

**210+**

Distribution Partners

**~\$10 billion**

LTM New Business Volume

### Key Distribution Partners

LPL Financial

usbank

Morgan Stanley

WELLS FARGO

RAYMOND JAMES

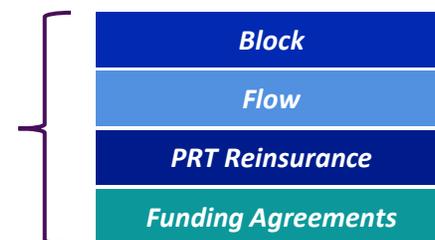
TRUIST

Huntington

One of the Top 5 Largest U.S. Banks

## Institutional Markets

Reinsurance for Insurance Companies



**Top 3**

Life & Annuity Block Reinsurer<sup>(1)</sup>

**~25**

Reinsurance Clients

**~\$25 billion**

LTM New Business Volume  
(incl. ~\$16 billion of block reinsurance)<sup>(2)</sup>

### Recent Clients

MetLife <sup>(3)</sup>

GREAT AMERICAN INSURANCE GROUP

Manulife

unum

AXA 安盛

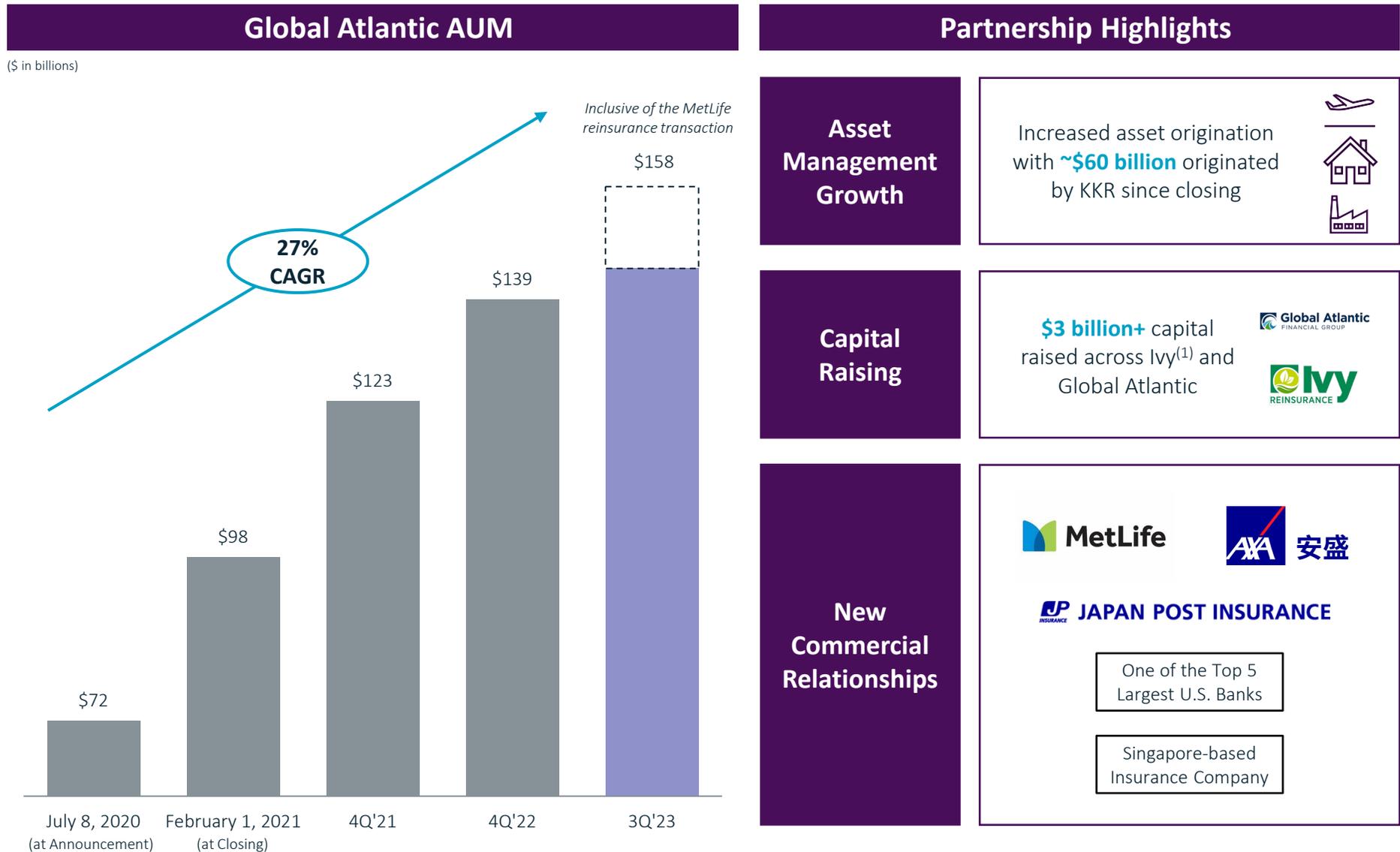
USAA

Ameriprise Financial

EQUITABLE

Note: Includes select distribution partners and recent reinsurance transaction clients. See Appendix endnotes for footnote references and further important information regarding these performance highlights.

# Our Partnership Has Already Surpassed Our Expectations



Note: CAGR represents the rate from 2Q'20 Global Atlantic AUM of \$73 billion to 3Q'23 Global Atlantic AUM inclusive of the MetLife transaction. See Appendix for additional important information.  
 (1) The Ivy vehicles serve the reinsurance marketplace as co-investment vehicles primarily for reinsurance transactions underwritten by subsidiaries of The Global Atlantic Financial Group LLC, providing solutions for life and annuity companies to help address capital, risk management and strategic objectives.

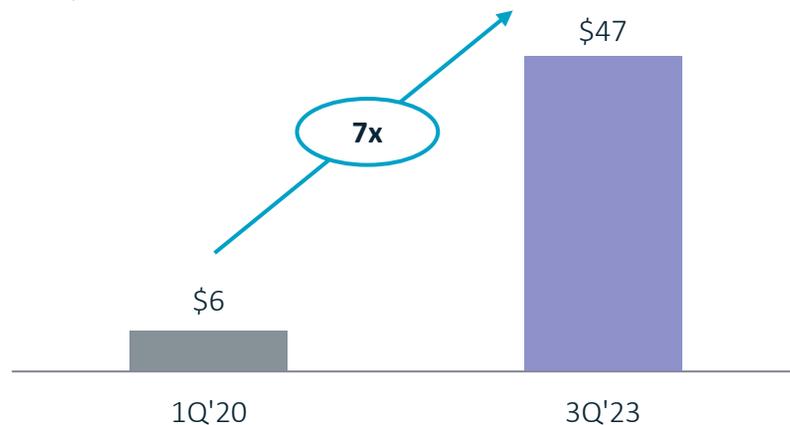
# GA Helped Scale Existing Asset Management Businesses

## Business Building Impact

- GA has been critical in scaling several of our existing asset management businesses that are well-suited for insurance company balance sheets
- We have delivered significant value to GA's investment returns. Working with GA has also made us better equipped to meet the needs of other third party insurance clients
- Platform and integration expected to increase future opportunity set

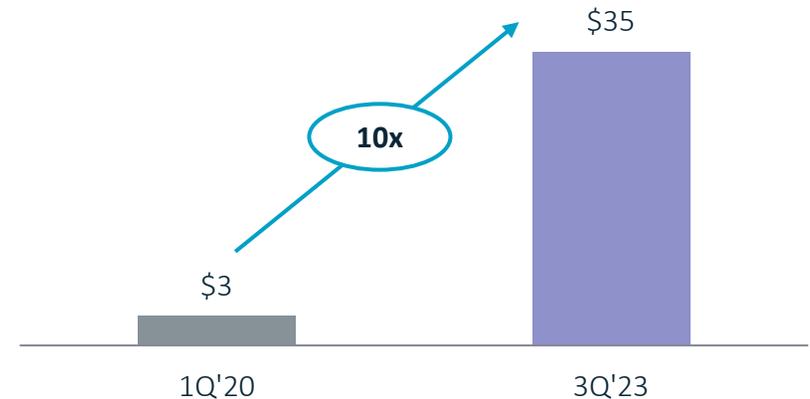
## Asset-Based Finance AUM

(\$ in billions)



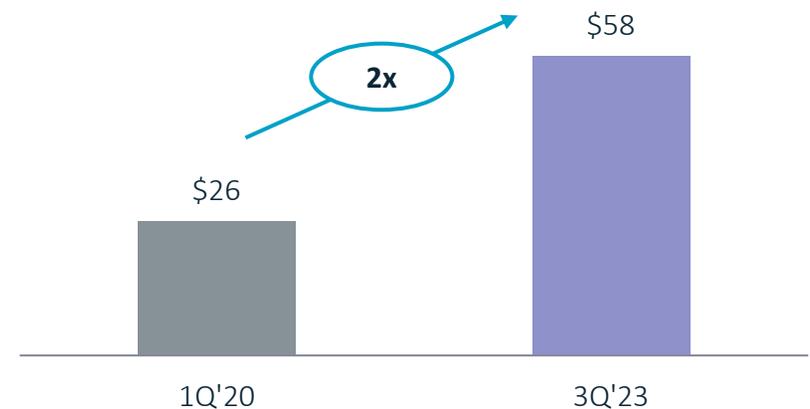
## Real Estate Credit AUM

(\$ in billions)



## Third Party Insurance AUM

(\$ in billions)



Note: See Appendix for important information about forward-looking statements.

# But We Know That There Is More We Can Do Together

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## Increased alignment across both organizations, with long-term focus

- Working towards shared, clear, long-term objectives
  - Common management incentive program
- 

## Global Atlantic to become more growth oriented, delivering more value to more clients

- Capitalize on secular tailwinds and orient towards long-run economic outcomes
  - We plan to accelerate GA's individual and institutional channel growth profile, while planning to further expand GA's global footprint
- 

## Increased asset origination for GA's investment portfolio

- Continue expanding the value that KKR's capabilities deliver to the insurance company balance sheet
  - Closer collaboration to identify and structure future investments that can drive value
- 

## Increased capital markets and private wealth distribution opportunities

- GA's scale and KKR's market presence expected to drive incremental capital markets origination opportunities
  - Opportunity for KKR to further leverage GA's established salesforce and distribution relationships to enhance positioning in private wealth
- 

## Continue to capitalize on positive momentum of Ivy opportunity

- Further leverage KKR's salesforce to scale co-investment opportunities for KKR clients through successful Ivy vehicles
  - Provide attractive opportunity for investors while supporting GA's growth through third party capital over time
- 

## Positive impact on KKR earnings

- We expect increased stability, visibility, scale and diversification

Note: See Appendix for important information about forward-looking statements.

# Transaction Overview

## Key Transaction Terms

- KKR to acquire remaining 37% of Global Atlantic for 1.0x Book Value, purchase price estimated to be ~\$2.7 billion<sup>(1)</sup>
- No issuance of debt or equity securities to fund the purchase price
- Increases KKR ownership to 100%

## Management

- Continuity of existing senior management team

## Timing

- Closing subject to customary conditions
- No further shareholder approval required
- Expected to close in 1Q 2024

Note: See Appendix for important information regarding the GA transaction and cautionary factors about these forward-looking statements.  
(1) This figure is an estimate and based on various assumptions, and there is no guarantee that our expectations will be realized as presented.



# Strategic Holdings Segment

# KKR's Core Private Equity Portfolio – A Snapshot

## What is Core Private Equity?

The strategy targets businesses with some or all of the following characteristics:



Long Duration



Lower Leverage  
Over Hold Period



Cash  
Generative



More Limited  
Disruptors



Less Cyclical



Control



More Limited  
External  
Exposures



High-Quality  
Management

1800 contacts®

Barracuda

cegid

ERM

FiberCop

HEARTLAND  
DENTAL

IVIRMA)

Refresco

TeachingStrategies®

Viridor

april

Arnott's  
Group

ATLANTIC

Bay  
Club

CyrusOne.

=exact

PetVet Care  
CENTERS

Roompot.

USI®

Average Ownership of the Core PE Companies by KKR's balance sheet is ~20%

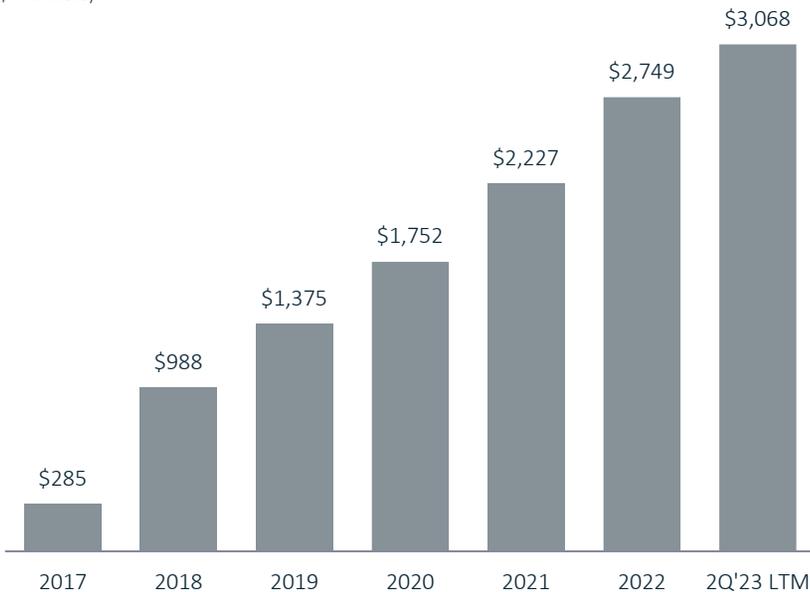
Note: Portfolio as of September 30, 2023. See Appendix for important information about the Core Private Equity portfolio.

# Stable Core PE Portfolio Growth

- The Core portfolio has experienced significant growth, driven by a combination of strong revenue and earnings performance within the portfolio, as well as an expansion of the portfolio itself
- On a like-for-like basis<sup>(1)</sup>, the Core portfolio has grown both revenue and EBITDA by ~16% annually since 2018. This growth has been generally consistent portfolio-wide

## Revenue Growth

(\$ in millions)



~16% Annualized Like-for-Like Growth Since 2018<sup>(2)</sup>

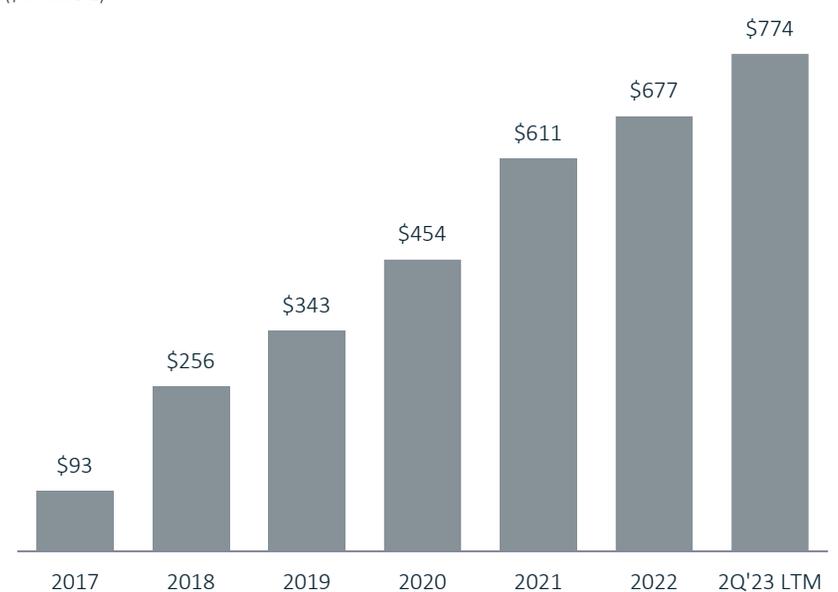
n/a	+55%	+11%	+8%	+21%	+15%	+11% <sup>(3)</sup>
1	4	6	9	14	17	19

Like-for-Like Growth<sup>(1)</sup>

# of Holdings

## EBITDA Growth

(\$ in millions)



~16% Annualized Like-for-Like Growth Since 2018<sup>(2)</sup>

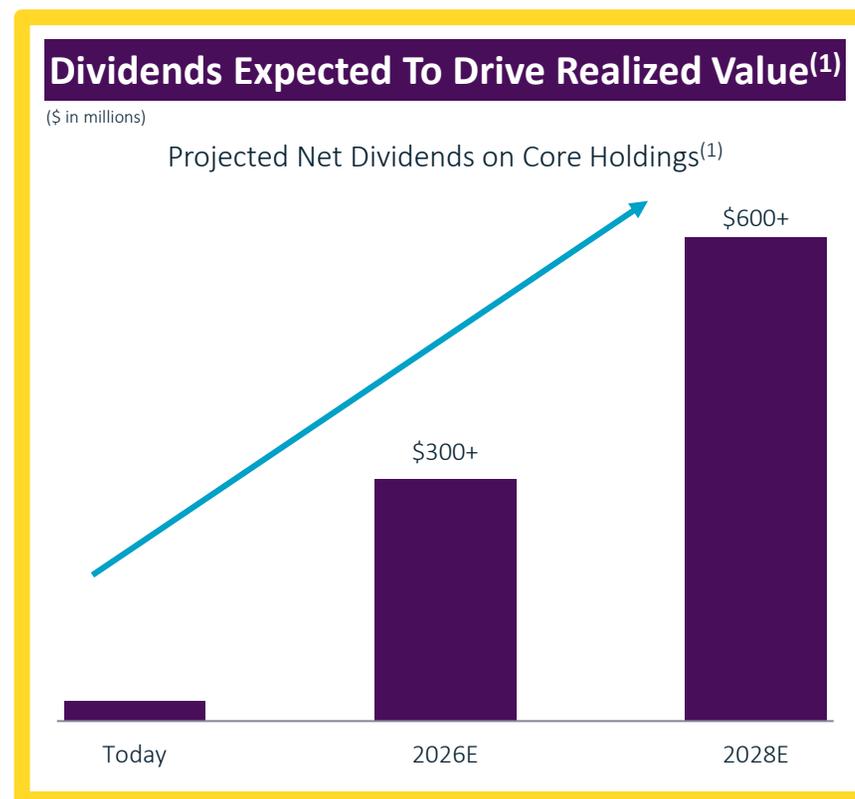
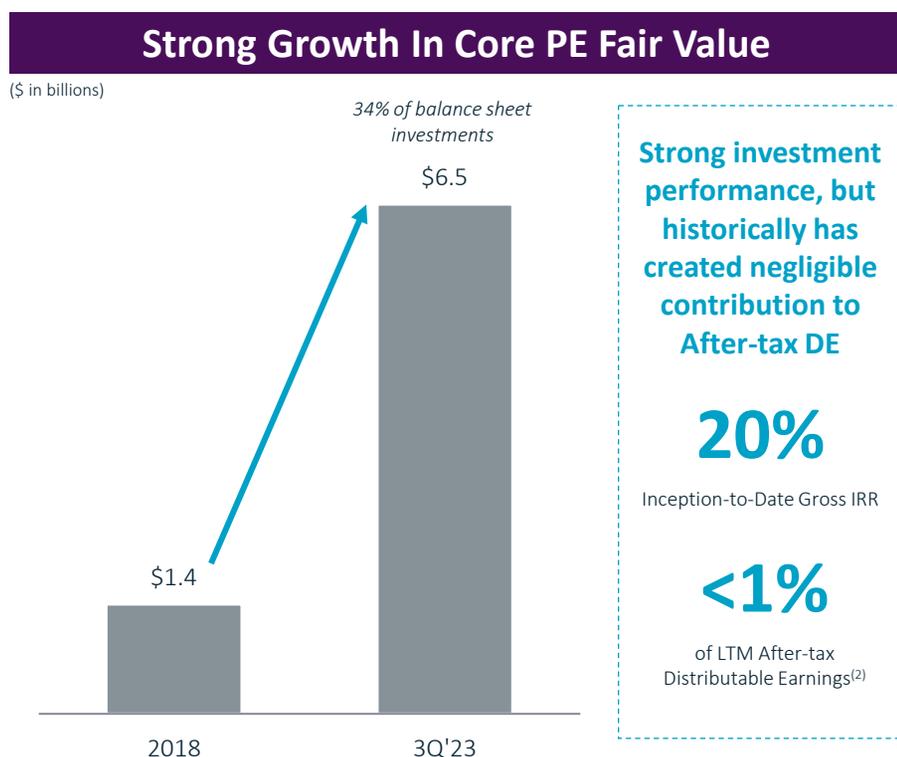
n/a	+55%	+12%	+13%	+25%	+6%	+13% <sup>(3)</sup>
1	4	6	9	14	17	19

Note: Portfolio companies shown as if they were owned for the entire year in which they were acquired. Figures represent KKR's proportionate look-through ownership percentage multiplied by the revenue and EBITDA of each portfolio company, respectively, in the figures above. Non-USD investments have been converted at the period-ending FX rate. See Appendix endnotes for footnote references.

# Creation Of A New Strategic Holdings Segment

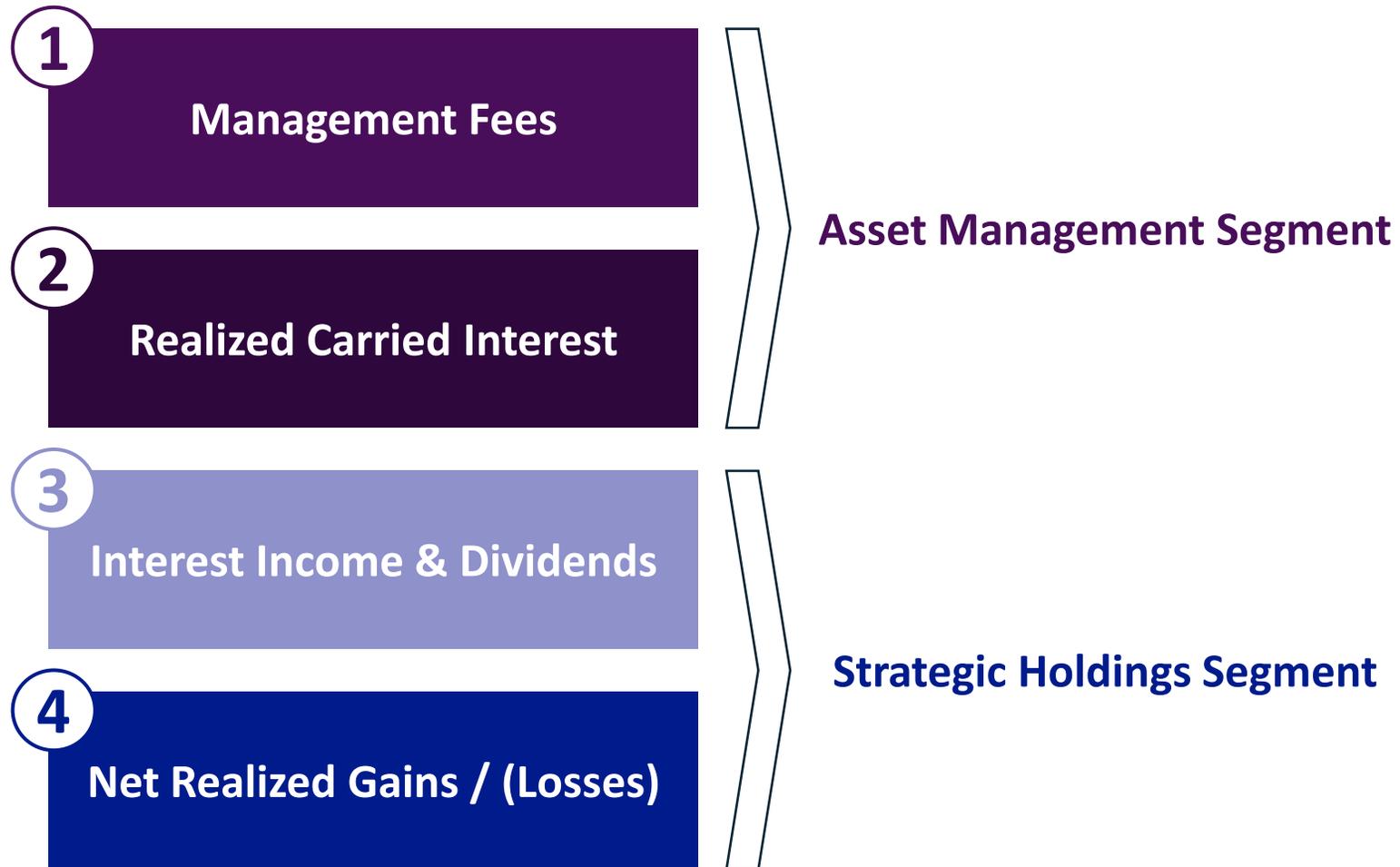
Given the increased size and scale of our Core Private Equity portfolio, and in order to enhance visibility, we are creating a new Strategic Holdings segment

- The maturing Core PE portfolio is starting to generate more recurring and stable dividends. We expect these dividends to grow meaningfully over time



Note: As of September 30, 2023. Past performance is no guarantee of future results. Projected Net Dividends on Core Holdings is an estimate based on various assumptions, and there is no guarantee that our expectations will be realized as presented. The creation of a new Strategic Holdings segment is expected to occur in 2024, and is contingent on the GA transaction closing; implementation is dependent on the timing of the closing. See Appendix endnotes for footnote references and important information regarding estimates, assumptions and cautionary factors about forward-looking statements.

# Core Private Equity Economics

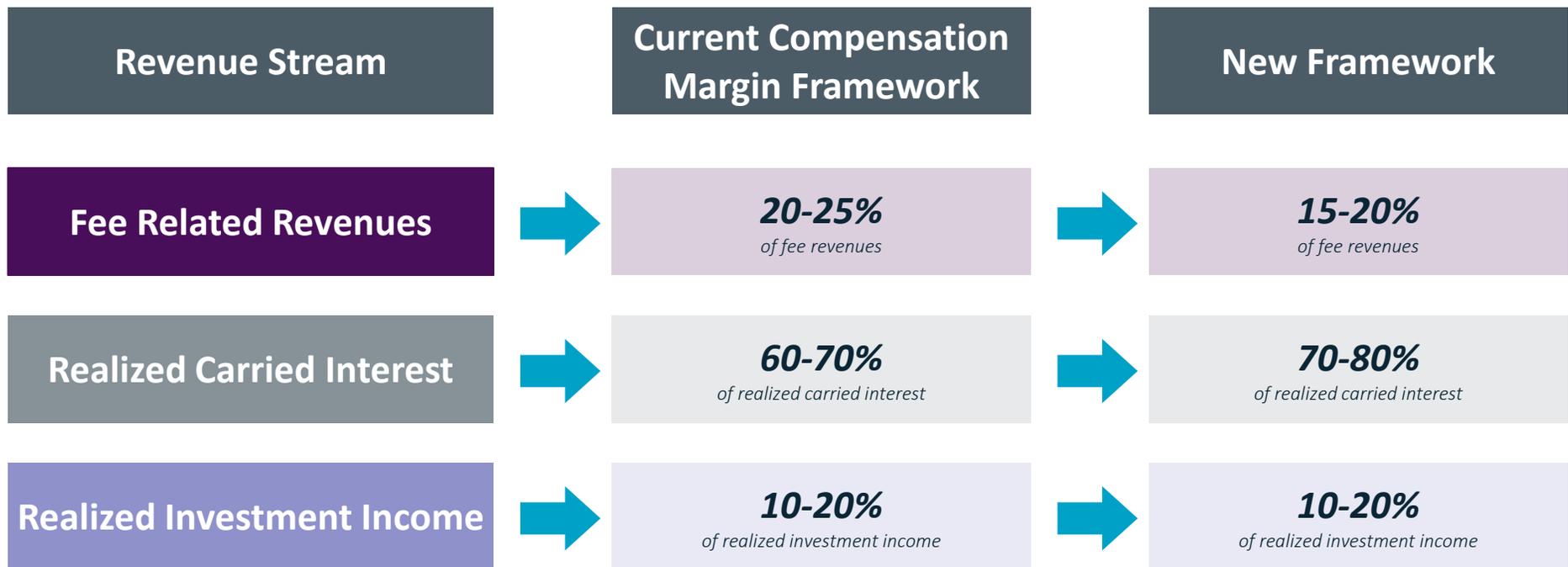


# Compensation Framework



# Compensation Framework Changes

- Given the growth of our asset management business and our fundraising pipeline, together with the initiatives announced this morning, we have high confidence there will be continued management fee growth and diversification
- This backdrop enables KKR to modify its compensation framework to become even more success-based, further increasing alignment of our employees with our key stakeholders



Note: Beginning in 2024, contingent on the GA transaction closing; implementation is dependent on the timing of the closing. See Appendix for important information regarding the GA transaction, forward-looking statements and additional detail.



# Segment Reporting Framework

# Introducing New Segment Reporting Framework

- The table below highlights the illustrative, new segment reporting framework we intend to introduce in connection with our 1Q'24 earnings

<b>Fee Related Earnings</b>	
+ <b>Strategic Holdings Operating Earnings</b> <i>(Core Dividends day 1)</i>	- → <i>New Line Item</i>
+ <b>Insurance Operating Earnings</b>	
<b>Total Operating Earnings</b>	<b>A</b> <i>Total Operating Earnings represents the more recurring portion of KKR's earnings</i>
+ <b>Net Performance Income</b> <i>(Carry, Incentive Fees)</i>	
+ <b>Net Investment Income</b> <i>(Gains/Losses, Interest &amp; Dividends)</i>	- → <i>Will exclude Net Dividends from Core</i>
<b>Total Investing Earnings</b>	<b>B</b>
<b>Total Segment Earnings</b>	<b>A + B</b>
- <b>Interest &amp; Taxes</b>	
<b>Adjusted Net Income</b>	- → <i>Previously After-tax Distributable Earnings</i>

Note: Beginning in 2024, contingent on the GA transaction closing; implementation is dependent on the timing of the closing. See Appendix for important information regarding the GA transaction, forward-looking statements and additional detail.

# Key Takeaways



**100% ownership of Global Atlantic creates path for greater equity value creation**



**Strength and maturation of the Core PE balance sheet portfolio should result in recurring dividends, creating an incremental component to our earnings profile**



**Compensation structure to be even more success-based, which increases Fee Related Earnings and alignment with stakeholders**



**Results of changes → a larger portion of reported earnings expected to be generated from more stable revenue streams**



**Accretive per share across key segment metrics**



**Raising 2026 FRE target from \$4+ per share to \$4.50+ per share**

Note: Reporting changes, accretion and FRE target contingent on the GA transaction closing. See cautionary factors about forward-looking statements.

# Appendix



# KKR's Core Private Equity Portfolio – Overview

Year	Country	Sector	Overview
2017	 U.S.	Financial Services (Insurance)	Middle market insurance broker, serving clients with insurance solutions across commercial property and casualty, employee benefits, personal risk and specialty insurance
2018	 U.S.	Healthcare / Consumer	Operator of veterinary hospitals for companion animals, providing a full spectrum of veterinary services ranging from preventative and primary care to emergency care and surgeries
	 U.S.	Healthcare / Consumer	Dental support organization, providing practice support services to more than 1,650 dental offices and more than 2,820 affiliated dentists across 38 states
	 U.S.	Consumer / Retail	Operator of active lifestyle health clubs across nine campuses with 22 facilities in California and Oregon, offering its members a broad set of amenities covering fitness, sports, family and hospitality
2019	 Netherlands	Technology	Business application software provider in Benelux, consisting of two divisions: enterprise resource planning software for small and medium enterprises, and cloud solutions for micro-corporate accounting
	 Australia	Consumer	Consumer product business, managing a portfolio of iconic, defensive snack and meal brands, including Arnott's, Campbell's and Prego, in the Asia Pacific region
2020	 United Kingdom	Infrastructure	U.K. waste processing and recycling company, operating 10+ Energy-from-Waste plants as well as recycling facilities, a collections business and landfills
	 Netherlands	Travel / Real Estate	Vacation parks business primarily in coastal locations in the Netherlands, Germany and Belgium
	 U.S.	Healthcare / Consumer	Online retailer of contact lenses focused on direct-to-consumer with presence in business-to-business fulfillment and distribution
2021	 Italy	Infrastructure	Entity that owns the secondary network of Telecom Italia's broadband network, offering the last-mile passive access services to over 15.9 million customers in Italy

Note: "Year" represents acquisition year. See Appendix for endnotes.

# KKR's Core Private Equity Portfolio – Overview (cont'd)

Year	Country	Sector	Overview	
2021	 Teaching Strategies	U.S.	Technology	Provider of curriculum, assessment and family engagement tools to the Early Childhood Education market that are delivered through a SaaS platform as well as via physical materials
	 ATLANTIC	U.S.	Infrastructure	Fixed-base operator in North America, operating private aviation airport terminals and infrastructure assets
	 cegid	France	Technology	French mid-market enterprise resource planning provider offering functional as well as vertical software solutions
	 ERM	United Kingdom	Business Services	Global pure play consultancy offering a variety of environmental, safety and sustainability services to corporate clients across a broad range of end markets and service lines
2022	 CyrusOne	U.S.	Infrastructure / Real Estate	Global data center provider specializing in design, construction and operation of more than 55 high-performance data centers across the U.S. and in Europe
	 Refresco	Netherlands	Infrastructure	Independent beverage solutions provider providing end-to-end beverage manufacturing to brands and retailers in Europe and North America
	 Barracuda	U.S.	Technology	Security and data protection solutions provider focused on the small and medium enterprise market, helping customers address security threats, improve network performance and protect and store their data
2023	 IVIRMA	Spain	Healthcare	Global fertility clinics platform where they provide assisted reproductive services to patients using technologies and scientific methods aimed at achieving a clinical pregnancy, fertility preservation and embryo replacement
	 april	France	Financial Services (Insurance)	Insurance broker which designs and distributes specialist insurance products to local brokers, with a focus on personal lines, having as end customers mostly private individuals, retirees, self employed workers, and small companies

Note: "Year" represents acquisition year. See Appendix for endnotes.

# Important Information – Endnotes

## Note to Pages 3, 4, 16, 20 and 23

The acquisition of the remaining 36.7% of Global Atlantic that KKR does not currently own is pursuant to a merger agreement, which provides that the closing of the transaction will only occur subject to the satisfaction or waiver of customary closing conditions. The estimated merger consideration of \$2.7 billion is an estimate made as of the date of this presentation, which is based on several assumptions, including the timing of the closing date for the acquisition and the absence of any purchase price adjustments under the merger agreement. Since this is an estimate, the actual amount of the purchase price could be materially different from what is shown. Certain Global Atlantic employees who own equity in Global Atlantic and also participate in Global Atlantic's management equity plan are expected to rollover a majority of their equity interests in Global Atlantic into KKR equity, which is excluded from the estimated merger consideration. There can be no assurance that the merger consideration will not be more or less than the estimate.

## Notes to Page 11 – Global Atlantic Overview

- (1) As of September 30, 2023, inclusive of the MetLife block reinsurance transaction that closed on November 16, 2023.
- (2) Fixed-rate annuities based on sales data as reported to LIMRA for the twelve months ended June 30, 2023. Global Atlantic estimates that it was ranked as a Top 3 Block reinsurer, based on publicly available data and company announcements as of September 30, 2023.
- (3) Represents Financial Strength Ratings of Global Atlantic's insurance subsidiaries (not credit ratings of any product or security), as of September 30, 2023. Moody's (Stable Outlook) / S&P (Positive Outlook) / Fitch (Stable Outlook) / AM Best (Stable Outlook).

## Notes to Page 12 – Global Atlantic - Complementary Channels

- (1) Fixed-rate annuities based on sales data as reported to LIMRA for the twelve months ended June 30, 2023. Global Atlantic estimates that it was ranked as a Top 3 Block reinsurer, based on publicly available data and company announcements as of September 30, 2023.
- (2) Includes \$3 billion of LTM block reinsurance activity, inclusive of the \$13 billion MetLife block reinsurance transaction. The transaction with MetLife, Inc. closed on November 16, 2023.
- (3) The block reinsurance transaction with MetLife, Inc. closed on November 16, 2023.

## Notes to Pages 18 to 20 and 28 to 29

Investments is a term used solely for purposes of financial presentation of a portion of KKR's balance sheet and includes majority ownership of subsidiaries that operate KKR's asset management, broker-dealer and other businesses, including the general partner interests of KKR's investment funds, controlling interests in core private equity companies, and the Global Atlantic insurance companies. KKR's asset management business includes a core private equity

investment strategy, which involves acquiring and managing controlling interests in operating companies intended to be held over a long period of time. The list of companies excludes companies not expected to be in the core private equity portfolio as of the first quarter of 2024.

## Notes to Page 19 – Stable Core PE Portfolio Growth

- (1) Like-for-like calculation reflects the underlying revenue/EBITDA growth of investments made in the preceding years, assuming those investments were owned for the full acquisition year and are shown on a constant currency / constant ownership percentage basis. We believe this is helpful to the investor to show the "steady state" growth profile of the underlying portfolio on an organic basis.
- (2) Shown based on revenue/EBITDA in year acquired, growing to the current LTM EBITDA (compounded from December 2017 through June 2023).
- (3) Represents an annualized figure for 1H 2023.

## Notes to Page 20 – Creation Of A New Strategic Holdings Segment

- (1) Relates only to Core PE balance sheet holdings and assumes uncalled commitments are fully invested over the next four years.
- (2) Amount represents Realized Investment Income only.

Calculation of Gross IRR - Unless otherwise indicated, internal rates of return (IRRs) measure the aggregate annual compounded returns generated by a fund's investments over a holding period, including, in many cases, where an investment has not yet been exited and the holding period end date is not yet known. As a result, an investment's future final IRR calculated after the exact holding period is known may differ, perhaps materially, from the IRR that is shown before the investment is exited. "Gross IRRs" are calculated before giving effect to the allocation of carried interest and the payment of any applicable management fees and organizational expenses.

## Note to Page 23 – Compensation Framework Changes

Incentive Fees earned from Marshall Wace will retain a 10-20% compensation expense against revenues.

On November 6, 2023, a majority of independent directors of the Board of Directors of KKR & Co. Inc. approved an increase in the maximum percentage of carried interest that is allocable to the carry pool from 65% to 80%, which will become effective upon the closing of the GA Transaction.

## Note to Page 25 – Introducing New Segment Reporting Framework

The financial metrics used in this new segment reporting framework are illustrative and additional details will be disclosed in 2024.

# Important Information – Non-GAAP and Other Measures

## Non-GAAP and Segment Measures

The key non-GAAP and other operating and performance measures that follow are used by management in making operational and resource deployment decisions as well as assessing the performance of KKR's business. They include certain financial measures that are calculated and presented using methodologies other than in accordance with U.S. generally accepted accounting principles (GAAP). These non-GAAP measures, including after-tax distributable earnings (DE) and fee related earnings (FRE), are presented prior to giving effect to the allocation of income (loss) among KKR & Co. Inc. and holders of certain securities exchangeable into shares of common stock of KKR & Co. Inc. and as such represent the entire KKR business in total. In addition, these non-GAAP measures are presented without giving effect to the consolidation of the investment funds and collateralized financing entities (CFEs) that KKR manages. 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 should not be considered as a substitute for financial measures calculated in accordance with GAAP. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, where applicable, are included in KKR & Co. Inc.'s reports, presentations, and publications. 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. A reconciliation of the FRE share price target has not been provided due to the unreasonable efforts it would take to provide such reconciliation due to the high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliation. For the same reasons, we are unable to address the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results.

- **After-tax Distributable Earnings** is a non-GAAP performance measure of KKR's earnings, which is derived from KKR's reported segment results. After-tax distributable earnings is used to assess the performance of KKR's business operations and measures the earnings potentially available for distribution to its equity holders or reinvestment into its business. After-tax distributable earnings is equal to Distributable Operating Earnings less Interest Expense, Net Income Attributable to Noncontrolling Interests and Income Taxes on Operating Earnings. Series C Mandatory Convertible Preferred Stock dividends have been excluded from After-tax Distributable Earnings (for the periods when this preferred stock was still outstanding), because the definition of Adjusted Shares used to calculate After-tax Distributable Earnings per Adjusted Share assumes that all shares of Series C Mandatory Convertible Preferred Stock have been converted to shares of common stock of KKR & Co. Inc. Income Taxes on Operating Earnings represents the (i) amount of income taxes that would be paid assuming that all pre-tax Asset Management distributable earnings were allocated to KKR & Co. Inc. and taxed at the same effective rate, which assumes that all securities exchangeable into shares of common stock of KKR & Co. Inc. were exchanged and (ii) the amount of income taxes on Insurance Segment Operating Earnings.
- **Fee Related Earnings (FRE)** is a non-GAAP performance measure of KKR's earnings, which is derived from KKR's reported segment results. After-tax distributable earnings is used to assess the performance of KKR's business operations and measures the earnings potentially available for distribution to its equity holders or reinvestment into its business. After-tax distributable earnings is equal to Distributable Operating Earnings less Interest Expense, Net Income Attributable to Noncontrolling Interests and Income Taxes on Operating Earnings. Series C Mandatory Convertible Preferred Stock dividends have been excluded from After-tax Distributable Earnings (for the periods when this preferred stock was still outstanding), because the definition of Adjusted Shares used to calculate After-tax Distributable Earnings per Adjusted Share assumes that all shares of Series C Mandatory Convertible Preferred Stock have been converted to shares of common stock of KKR & Co. Inc. Income Taxes on Operating Earnings represents the (i) amount of income taxes that would be paid assuming that all pre-tax Asset Management distributable earnings were allocated to KKR & Co. Inc. and taxed at the same effective rate, which assumes that all securities exchangeable into shares of common stock of KKR & Co. Inc. were exchanged and (ii) the amount of income taxes on Insurance Segment Operating Earnings.
- Fee Related Performance Revenues refers to the realized portion of Incentive Fees from certain AUM that has an indefinite term and for which there is no immediate requirement to return invested capital to investors upon the realization of investments. Fee related performance revenues consists of performance fees (i) to be received from our investment funds, vehicles and accounts on a recurring basis, and (ii) that are not dependent on a realization event involving investments held by the investment fund, vehicle or account.
- Fee Related Compensation refers to the compensation expense, excluding equity-based compensation, paid from (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, and (iii) Fee Related Performance Revenues.
- Other Operating Expenses represents the sum of (i) occupancy and related charges and (ii) other operating expenses.

# Important Information – Non-GAAP and Other Measures (cont'd)

## Non-GAAP and Segment Measures (cont'd)

- **Assets Under Management (AUM)** represent the assets managed, advised or sponsored by KKR from which KKR is entitled to receive management fees or performance income (currently or upon a future event), general partner capital, and assets managed, advised or sponsored by our strategic BDC partnership and the hedge fund and other managers in which KKR holds an ownership interest. We believe this measure is useful to stockholders as it provides additional insight into the capital raising activities of KKR and its hedge fund and other managers and the overall activity in their investment funds and other managed or sponsored capital. KKR calculates the amount of AUM as of any date as the sum of: (i) the fair value of the investments of KKR's investment funds and certain co-investment vehicles; (ii) uncalled capital commitments from these funds, including uncalled capital commitments from which KKR is currently not earning management fees or performance income; (iii) the asset value of the Global Atlantic insurance companies; (iv) the par value of outstanding CLOs; (v) KKR's pro rata portion of the AUM of hedge fund and other managers in which KKR holds an ownership interest; (vi) all of the AUM of KKR's strategic BDC partnership; (vii) the acquisition cost of invested assets of certain non-US real estate investment trusts and (viii) the value of other assets managed or sponsored by KKR. The pro rata portion of the AUM of hedge fund and other managers is calculated based on KKR's percentage ownership interest in such entities multiplied by such entity's respective AUM. KKR's definition of AUM (i) is not based on any definition of AUM that may be set forth in the governing documents of the investment funds, vehicles, accounts or other entities whose capital is included in this definition, (ii) includes assets for which KKR does not act as an investment adviser, and (iii) is not calculated pursuant to any regulatory definitions.

# Important Information – Other Legal Disclosures

## Website

From time to time, we may use our website as a channel of distribution of material information. Financial and other material information regarding KKR is routinely posted on and accessible at [www.kkr.com](http://www.kkr.com). Financial and other important information regarding Global Atlantic is routinely posted on and accessible at [www.globalatlantic.com](http://www.globalatlantic.com). Information on these websites are not incorporated by reference herein and are not a part of this presentation.

## KKR Entities

Any discussion of specific KKR entities other than KKR & Co. Inc. is provided solely to demonstrate such entities' role within the KKR organization and their contributions to the business, operations and financial results of KKR & Co. Inc. Each KKR entity is responsible for its own financial, contractual and legal obligations.

Nothing in this presentation 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 or its representatives. Without limiting the foregoing, this presentation 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 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 offered by, or other insurance-related vehicle sponsored or managed by, Accordia Life and Annuity Company, Commonwealth Annuity and Life Insurance Company, Forethought Life Insurance Company, Global Atlantic Re Limited or any Global Atlantic insurance company.

## 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, the KKR balance sheet or Global Atlantic insurance company) will achieve results comparable to any results included in this presentation, or that any investments made by 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 presentation. 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, and the timing and manner of sale, 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.

## Estimates and Assumptions

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 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.

## Third Party Sources and Other Information

Certain information presented in this presentation 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.

# Important Information – Other Legal Disclosures (cont'd)

## Forward-Looking Statements

This presentation contains certain forward-looking statements pertaining to KKR, including investment funds, vehicles and accounts managed by KKR and the insurance companies managed by Global Atlantic. You can identify these forward-looking statements by the use of words such as "outlook," "believe," "think," "expect," "feel," "potential," "continue," "may," "should," "seek," "approximately," "predict," "intend," "will," "plan," "estimate," "anticipate," "visibility," "positioned," 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 the statements with respect to: the declaration and payment of dividends in future quarters; the timing, manner and volume of repurchase of shares of common stock of KKR & Co. Inc.; the timing, manner and pricing of redemptions of preferred stock; future expectations related to Fee Related Earnings, After-tax Distributable Earnings, Book Value, Asset Management (and Insurance) Segment Operating Earnings, Distributable Operating Earnings, and other measures and performance metrics; KKR's ability to grow its AUM, to deploy its capital, to realize currently unrealized investment returns and the time period over which such events may occur; KKR's ability to manage operations and investments of acquired companies; the effects of any acquisition on KKR's operating results; expansion and growth opportunities and other synergies resulting from acquisitions, reorganizations or strategic partnerships, including Global Atlantic; the timing and expected impact to our business of any new fund, investment vehicle or product launches; the ability of core private equity investments to generate earnings that compound over a long period of time; the timing and completion of certain transactions contemplated by the Reorganization Agreement; the implementation, launch or closing, as applicable, of all strategic initiatives discussed in this presentation, which are each contingent upon the consummation of the transactions contemplated by the merger agreement between KKR and Global Atlantic (the "Acquisition"), operation of Global Atlantic following the closing of the Acquisition; expansion and growth opportunities and other synergies resulting from the Acquisition; the availability of cash on hand or liquidity from KKR's investment portfolio to fund the Acquisition; and expected timing of closing of the Acquisition. There can be no assurance that we will successfully complete this Acquisition on the terms or timetable currently contemplated or at all.

These forward-looking statements are based on KKR's (including Global Atlantic'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. If a change occurs, KKR's business, financial condition, liquidity and results of operations, including but not limited to

dividends, stock repurchases, tax assets, tax liabilities, AUM, FPAUM, After-tax Distributable Earnings, capital invested, uncalled commitments, cash and short-term investments, Fee Related Earnings, adjusted EBITDA, book value, debt levels, outstanding shares of common stock of KKR & Co. Inc. and capital structure may vary materially from those expressed in the forward-looking statements.

The following factors, among others, could cause actual results to vary from the forward-looking statements: failure to realize the anticipated benefits within the expected timeframes from acquisitions; unforeseen liabilities or integration and other costs of acquisitions and timing related thereto; changes in the business of our acquisitions; distraction of management or other diversion of resources within KKR caused by acquisitions; retention of key employees from acquisitions; ability to maintain business relationships following the acquisitions; the pandemic's impact on the U.S. and global economies and governmental responses to the pandemic; the volatility of the capital markets; failure to realize the benefits of or changes in business strategies including the ability to realize the anticipated synergies from acquisitions, strategic partnerships or other transactions; availability, terms and deployment of capital; availability of qualified personnel and expense of recruiting and retaining such personnel; changes in the asset management or insurance industry, interest rates, credit spreads, currency exchange rates or the general economy; underperformance of our investments and decreased ability to raise funds; compliance with applicable laws; changes to the consolidated subsidiaries of KKR; KKR's control of acquired companies; changes in Global Atlantic policyholders' behaviors; any disruption in servicing Global Atlantic's insurance policies; the use of estimates and risk management in our businesses; the outcome of litigation and regulatory matters, as applicable; the degree and nature of KKR's competition and changes to accounting standards, such as the recent implementation of the new accounting standard for long-duration contracts such as life insurance and annuities.

These statements are subject to numerous risks, uncertainties and assumptions, including those listed in this Appendix 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, 2022, filed with the SEC on February 27, 2023, 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](http://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 presentation and in KKR's filings with the SEC.

All forward-looking statements speak only as of the date of this presentation. 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.