



Disclosure Statement
Operating Principles for Impact Management
KKR Global Impact Fund
KKR & Co. Inc.
June 20, 2021

KKR & Co. is a founding signatory to the Operating Principles for Impact Management (the “Impact Principles”). The Impact Principles provide a reference point against which the impact management systems of funds and institutions may be assessed. They draw on emerging best practices from a range of asset managers, asset owners, asset allocators, and development finance institutions.

This Disclosure Statement hereby affirms that the investment assets included in the KKR Global Impact Fund SCSp (the “Fund” or “Global Impact”) are managed in accordance with the Impact Principles. This Disclosure Statement applies only to the KKR Global Impact Fund. The total commitments of this Fund, managed in alignment with the Impact Principles, is US\$1.3 billion as of June 20, 2021.¹

Robert Antablin and Ken Mehlman

Co-Heads, KKR Global Impact

June 20, 2021

¹The sole purpose of this Disclosure Statement is to fulfill KKR’s obligations pursuant to Principle 9. This document shall not constitute and should not be construed as an offer, solicitation, or invitation to buy or sell any securities, financial instruments, or services whether described herein or otherwise, or as any prospectus or investment-related advice in relation thereto, nor is it intended to form the basis of a decision to participate in any investment. KKR makes no guarantee or other promise as to any outcomes, including any financial or development impact results that may be obtained from the practices disclosed in this statement. While past performance may be analyzed in this Disclosure Statement, past performance should not be considered indicative of future performance. Accordingly, KKR shall not have any liability to any of the recipients of this Disclosure Statement, nor to any other party in connection with or arising in any way from, or in relation to, the information or any opinions expressed in this Disclosure Statement, and KKR does not accept any responsibility whatsoever for any action taken, or omitted to be taken by any party on the basis of any matter contained in, or omitted from, the Disclosure Statement.

Overview of Global Impact’s Approach

KKR has built a proven model to source, diligence, and create value in companies around the world. Over the last decade, KKR has been a leader in driving and protecting value throughout the Firm’s private markets portfolio through thoughtful environmental, social, and governance (ESG) management, as well as measuring and reporting on performance to the public and investors. In the same time period, KKR invested over \$7.2 billion in companies with core business models that advance solutions to global challenges related to environmental, educational and workforce development, responsible consumption and production, worker safety, and societal issues.²

The Global Impact team leverages the KKR toolkit to partner with businesses in which we see great innovation and commercial opportunities to address critical societal needs as defined by the UN Sustainable Development Goals (SDGs). We seek to partner with management teams to help our portfolio companies achieve more — greater financial success, incremental positive impact, and improved ESG performance — and leverage the full suite of global resources. Global Impact is committed to measuring and reporting the impact of our efforts in a manner that is (a) transparent and (b) leverages existing, proven frameworks that are built into our impact management practices.

More information on Global Impact’s strategy, portfolio and impact management approach is available on the [KKR](#) and [KKR ESG](#) websites.

For the purposes of Global Impact, the definition of an impact investment is as follows:

GLOBAL IMPACT CRITERIA	
Criteria	Description
Achieves Attractive Risk-Adjusted Returns	A company that has an attractive business model and where Global Impact is able to identify a credible path to generating private equity-related returns through the investment
Contributes Solutions to the Sustainable Development Goals (SDGs)	A company whose business model contributes a solution to a challenge (or challenges) identified by the SDGs and relevant in its market, either directly through the core product or service or indirectly through the way the company differentiates its core product or service
Generates Impacts That Are Measureable	A company whose positive contributions toward the SDGs are measurable and reportable using credible third-party metrics During the lifetime of the investment, Global Impact will develop metrics to monitor the impact of the product or service and assess progress, which we will report to Fund investors annually
Seeks to Improve ESG Performance During KKR Ownership	A company that actively manages and seeks to improve, during Global Impact’s ownership, its performance on relevant ESG-related issues as guided by the Sustainability Accounting Standards Board (SASB) materiality analysis During our ownership period, Global Impact will measure, monitor, and report on ESG-related performance to Fund investors annually

² Represents KKR’s solutions-oriented investments, as identified by the Global Impact team, that were made globally by certain KKR funds and accounts from January 1, 2008, to March 31, 2021. The Global Impact team’s determination and assessment regarding which investments to include in this figure involve significant judgment and may differ from another party’s review of KKR’s investments.

PRINCIPLE 1: DEFINE STRATEGIC IMPACT OBJECTIVE(S), CONSISTENT WITH THE INVESTMENT STRATEGY

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

Summary

- KKR Global Impact's strategic objective is to invest behind scalable, commercial solutions within four impact themes: climate action, lifelong learning, sustainable living, and inclusive growth, outlining each theme's relationship to the SDGs. Global Impact's progress is assessed against our objectives and contributions to the SDGs using relevant metrics that are sourced from third-party frameworks wherever possible. Further information about our strategy is available on the [KKR](#) and [KKR ESG](#) websites.
- The Fund's impact management system includes a three-stage screening diligence process, followed by the development of a 100-day plan in the post-investment phase. We implement our impact management system in partnership with [Business for Social Responsibility](#) (BSR), a global nonprofit with expertise in the development of sustainable business strategies and solutions.
- In the first stage of our diligence process, we ensure that the objectives of prospective companies are aligned with Global Impact's investment strategy using a standardized worksheet with assessment criteria, which is completed by the investment team. This worksheet was developed with input from BSR and is used to preliminarily determine whether a company is likely to contribute to advancing solutions to one or more of the SDG targets.
- During the second stage of diligence, the Global Impact investment team drafts an Impact Thesis that describes the company's contribution to a solution in its market, taking into account the [Impact Management Project's](#) (IMP) five dimensions of impact, among other considerations. In addition, the team drafts a description of the Sustainability Context, with input from BSR and supported by relevant research, that summarizes how the Impact Thesis links to widely-accepted global sustainability challenges and opportunities.
- During the third stage of diligence, we seek to establish an inextricable link between financial success and impact outcomes for the company, and articulate Global Impact's Investor Contribution (see Principle 3).
- The Impact Thesis, Sustainability Context, Investor Contribution, and Impact Projections are included in materials evaluated by the Fund's Investment Committee.
- After investing in a company, the Fund includes impact management, measurement, and reporting in the portfolio management process, including through quarterly review at Global Impact's Portfolio Management Committee.

Updates since 2020 Disclosure and Verification Statements

- We published our first annual Impact Report that was released to our LPs in June 2020, which further detailed our contributions to the SDGs at the portfolio company and overall portfolio level.
- In 2021, Global Impact published information on each portfolio company's link to the SDGs on its [website](#). In Q2 2021 we will provide our second annual Impact Report to LPs, which will contain information on company and portfolio-wide year-on-year performance.

PRINCIPLE 2 – MANAGE STRATEGIC IMPACT ON A PORTFOLIO BASIS

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

Summary

- The impact management process begins during first stage of diligence, when a prospective company's impact objectives — including contribution to the SDGs and management of ESG considerations — serve as gating criteria for further diligence, alongside the company's potential to generate commercial returns.
- In the second stage of diligence, our investment team evaluates multiple dimensions of impact (e.g., scale, depth, and scope) by considering the expected positive impacts, potential negative effects, and impact risks associated with the company. The worksheet references industry standards, such as the IMP dimensions of impact risk and SDG targets and indicators.
- Performance against expectations is reviewed by the Portfolio Management Committee on a quarterly basis, with an annual reevaluation of third- party-sourced metrics for impact for each company.
- Impact metrics at the company level, as well as select impact metrics at the fund level, are communicated to Fund investors in our annual Impact Reports, which provide data on ESG and impact performance.
- Each investment team member's annual compensation is based on a number of factors including portfolio company performance. Given that Global Impact investments' core business models must contribute toward the SDGs, commercial growth and impact targets are highly aligned.

Updates since 2020 Disclosure and Verification Statements

- Global Impact further documented the integration of impact considerations in the investment process, particularly in the Second Pass, Third Pass, and Post-Investment Process phases of the investment cycle.
- Global Impact provided our first annual Impact Report to our LPs further detailing the contributions to the SDGs at the portfolio company and portfolio-wide level.
- Global Impact undertook a peer benchmarking exercise with the intention of understanding emerging best practices for aligning staff incentives to impact/ESG considerations in case there are additional components that integrate well in KKR's approach.
- In 2021, Global Impact developed formal criteria to help standardize the consideration of impact and ESG within 2021 personal development goal setting across our team.

PRINCIPLE 3 – ESTABLISH THE MANAGER’S CONTRIBUTION TO THE ACHIEVEMENT OF IMPACT

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial channels (e.g., improving cost of capital, specific financial structuring, offering innovative finance instruments) and/or non-financial channels (e.g., active shareholder engagement, assisting with resource mobilization, providing technical advice or capacity building, helping investees meet higher operational standards). The narrative should be stated in clear terms and supported, as much as possible, by evidence.

Summary

- Global Impact utilizes a private equity strategy that incorporates active governance and leverages KKR’s expert global resources to drive impact and commercial outcomes. We seek to partner with management teams to help our portfolio companies achieve more — greater financial success, incremental positive impact, and improved ESG performance — and leverage the full suite of global resources including KKR Capstone, the KKR Global Institute, KKR Public Affairs, KKR Global Macro and Asset Allocation, KKR Capital Markets, and others, to achieve these goals.
- During the third stage of diligence, our investment team drafts a description of each company’s Investor Contribution, which outlines how KKR and KKR Capstone³ — a team dedicated to support KKR investment teams and portfolio companies — plan to contribute to the company’s creation of impact.
- Examples of activities described in the Investor Contribution narrative can include directly commercial channels (e.g., link between growing investee market share and growing investee impact) and operational channels (e.g., plans for improved management of ESG considerations over time).

Updates since 2020 Disclosure and Verification Statements

- Global Impact reported Investor Contribution to Fund investors in our first annual Impact Report in June 2020, providing specific examples of our financial and non-financial contributions to the achievement of impact for each investment. We will also report on progress against contribution initiatives set out at investment in our second Impact Report to LPs in 2021.
- In 2021, Global Impact began providing case studies to Fund investors detailing how our value creation activities led to outcomes.

³Participation of KKR Private Equity, KKR Capital Markets, and KKR Capstone personnel in the public markets investment process is subject to applicable law and inside information barrier policies and procedures, which may limit the involvement of such personnel in certain circumstances and KKR Credit’s ability to leverage such integration with KKR & Co; discussions with Senior Advisors and employees of the Firm’s managed portfolio companies are also subject to the inside information barrier policies and procedures, which may restrict or limit discussions and/or collaborations with KKR Credit.

PRINCIPLE 4 – ASSESS THE EXPECTED IMPACT OF EACH INVESTMENT, BASED ON A SYSTEMATIC APPROACH

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations. In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

Summary

- Our second stage of diligence ensures a systematic approach to the assessment of expected impact, with a results measurement framework that includes the nature of expected impact (e.g., scale, depth, and scope), parameters for the measurement of expected impact, potential for negative effects and the mitigation thereof, and the identification of risks to delivering impact (aligned, but not limited to, the IMP's nine impact risks). The investment Sustainability Context and Impact Thesis also address who experiences the impact, the nature of the challenge being addressed, and relevance of the impact solution within its market context.
- Relevant key performance indicators are identified during the second stage of diligence during which the investment team leverages existing reporting frameworks (e.g., those referenced by the [SDG Indicators](#), [SDG Compass](#), or [IRIS](#)) to identify appropriate metrics. These frameworks will be noted and referenced in our annual Impact Reports to LPs.
- In the second phase of diligence, the investment team prepares initial impact projections that outline a company's expected impact over time using a consistent approach, and presents this to the Investment Committee.
- In the third stage of diligence, the investment team completes an assessment that includes an articulation of our intended contribution to increase the impact of the investment.
- Impact and ESG data are collected from portfolio companies and reported annually to LPs.

Updates since 2020 Disclosure and Verification Statements

- Global Impact further documented the integration of impact considerations in the investment process, particularly in the Second Pass and Third Pass pre-investment stages. This includes documentation of the scale, depth, and scope of an investment's expected impact.
- Wherever possible, Global Impact sources impact metrics from existing frameworks. In cases where there are no existing metrics sufficiently capturing a company's impact, Global Impact's process is to consult with third-party subject matter experts to confirm appropriate metrics.

PRINCIPLE 5 – ASSESS, ADDRESS, MONITOR, AND MANAGE POTENTIAL NEGATIVE IMPACTS OF EACH INVESTMENT

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

Summary

- For the companies in our impact portfolio, commitment to ESG management is one of the key factors we evaluate. As such, one of our written considerations is “Does the company demonstrate strong ESG practices and/or a commitment to address material ESG issues and improve them during the Fund’s investment?”
- To identify, avoid, monitor, and/or manage ESG risks, we screen companies in the first stage of diligence for demonstrated strength in their ESG practices or, as appropriate, a commitment to improve management of ESG considerations in future.
- Subsequently, during the second stage of diligence, the investment team works with BSR to conduct an initial ESG materiality review to identify potential material, industry-specific ESG risks faced by a company, drawing on the [SASB Materiality Map](#).
- The impact assessment also includes the consideration of potential negative effects and impact delivery risk, drawing on the IMP’s nine types of impact risks.
- In the post-investment phase, Global Impact, BSR, and the portfolio company collaboratively develop an ESG management plan to set long-term ESG-related targets and create a plan to achieve those targets.
- Global Impact’s annual Impact Report also communicates areas for potential development on impact and ESG performance for the coming year to Fund investors, including performance on ESG metrics.
- For further information on KKR’s approach to ESG management, including policies, ESG reporting and disclosures, please refer to the [KKR ESG](#) website.

Updates since 2020 Disclosure and Verification Statements

- Global Impact has made additional refinements to information contained in the quarterly impact and ESG reporting templates we submit to the Portfolio Management Committee, which include a quarterly review of risks to impact or negative effects, and an update on ESG management.

PRINCIPLE 6 – MONITOR THE PROGRESS OF EACH INVESTMENT IN ACHIEVING IMPACT EXPECTATIONS AND RESPOND APPROPRIATELY

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment.

Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes (i.e., short-term and medium-term effects of an investment's outputs, which are the products, capital goods, and services).

Summary

- Global Impact's portfolio monitoring and management system is the same approach that is used across all of KKR's private equity funds. As such, the system includes oversight by a Portfolio Management Committee that meets regularly to assess company and portfolio performance.
- Global Impact's process for monitoring the impact performance of each portfolio company includes the refinement of impact projections in the post-investment phase. This includes impact metrics and ESG goals as well as processes for measuring and reporting to us on a quarterly basis.
- The Portfolio Management Committee process includes a consideration of impact risks and, in the case of underperformance, commentary on impact risk mitigation.
- In addition, the Global Impact's annual reporting to Fund investors communicates year-over-year and year-over-baseline data for select impact and ESG metrics.

Updates since the 2020 Disclosure and Verification Statements

- We have made additional refinements on information contained in impact and ESG reporting templates to the Portfolio Management Committee, which is now submitted on a quarterly basis. This includes quarterly reporting on impact and ESG metrics where possible.
- We have developed data collection principles and processes outlining roles and responsibilities for impact and ESG data.

PRINCIPLE 7 – CONDUCT EXITS CONSIDERING THE EFFECT ON SUSTAINED IMPACT

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact.

Summary

- Global Impact’s strategy is to invest in companies for which impact is intrinsically linked to financial success, helping to ensure that impact is sustained at exit.

Updates since 2020 Disclosure and Verification Statements

- While Global Impact is still early in our fund lifecycle, we have begun to articulate how we considers the effect of the timing, structure, and process of exit on the sustainability of impact.
- As part of this, Global Impact has developed a formal statement that considers the effect of exits on our portfolio companies:

The Global Impact Fund is committed to making investment decisions consistent with our fiduciary duty to our investors and exercises this duty by investing according to our strategy, which is to target companies whose core business model (and majority of revenues) contribute to the UN’s Sustainable Development Goals. This ensures that financial and impact outcomes are fully aligned, increasing the likelihood of sustained impact post-exit. In addition, the Fund seeks to improve ESG performance with long-term sustainability in mind, for example by enhancing ESG governance processes and the management of material ESG risks.

PRINCIPLE 8 – REVIEW, DOCUMENT, AND IMPROVE DECISIONS AND PROCESSES BASED ON THE ACHIEVEMENT OF IMPACT AND LESSONS LEARNED

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

Summary

- We establish a baseline during the second stage of diligence, when we use preliminary impact projections and an ESG materiality review to evaluate and anticipate impact and ESG performance. We then track select impact and ESG metrics to capture performance over time and relative to expectations.
- Global Impact communicates impact performance and ESG management to Fund investors on an annual basis, which includes a discussion of anticipated and actual positive and risks to impact (where relevant), ESG management as well as other elements.

Updates since 2020 Disclosure and Verification Statements

- Global Impact integrated lessons learned from our first verification in 2020 to update impact management practices. This resulted in improved alignment with Impact Principles during our second verification in early 2021. Both verifications were conducted by BlueMark.
- Global Impact undertook an external reporting verification of our 2019 Impact Report, also conducted by BlueMark, and engaged our LPs in a reporting feedback process. We have updated our 2020 Impact Report based on recommendations received through these processes.

PRINCIPLE 9 – PUBLICLY DISCLOSE ALIGNMENT WITH THE PRINCIPLES AND PROVIDE REGULAR INDEPENDENT VERIFICATION OF THE ALIGNMENT

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

Summary

- This Disclosure Statement will be updated and published annually, in compliance with the Impact Principles.
- Global Impact is committed to a high level of transparency and to the role of independent verification. We intend to have our impact management system reviewed against the Impact Principles regularly, with areas of alignment and improvement disclosed publicly as a part of this Disclosure Statement.
- As other signatories of the Impact Principles publish their disclosure statements, we will take note of peer approaches and consider adjustments to ensure that our processes are in line with industry best practice.

Updates since 2020 Disclosure and Verification Statements

- We completed our first verification at the end of 2019 and our second in early 2021, and expect to complete and publish a third-party verification of our activity and accomplishments every three years at a minimum.

Verifier Statement

Independent Verification Report

Prepared for KKR Global Impact: February 18, 2021

Introduction

As a signatory of the Operating Principles for Impact Management (the Impact Principles)¹, KKR engaged BlueMark to undertake an independent verification of the alignment of the KKR Global Impact Fund's (Global Impact) impact management (IM) system with the Impact Principles. Global Impact's assets under management covered by the Impact Principles (Covered Assets) total \$1,300 million².

Summary assessment conclusions

BlueMark has independently verified the KKR Global Impact Fund's extent of alignment with the Impact Principles. Key takeaways from BlueMark's assessment are as follows:

Principle 1: Global Impact has established clear impact objectives that have been mapped to the Sustainable Development Goals (SDGs), including underlying SDG Targets and specific SDG Indicators. The firm ensures the consistency of its impact objectives and investment strategy, compiling an impact thesis and supporting sustainability context for each investment.

Principle 2: Global Impact manages impact achievement on a portfolio basis throughout the investment process, from impact screening and diligence through monitoring and review. Team incentives are aligned with the overall performance of the firm and the Fund and an annual performance review. Team incentives were not explicitly tied to impact performance at the time of the verification completed in January 2021.

Principle 3: Global Impact establishes an investor contribution narrative in the due diligence process, including plans to improve Environmental, Social, and Governance (ESG) management, among other contributions. The firm compiles evidence supporting the investor contribution narrative for each portfolio company throughout the investment process.

Principle 4: Global Impact has developed a thorough ex-ante impact diligence process, including an assessment of potential positive and negative impacts and impact risks, among other considerations. The firm draws on Global Reporting Initiative (GRI) Topic-specific Standards and SDG Indicators, among other industry standards, to select impact metrics.

Principle 5: Global Impact's ESG management process includes conducting an ESG materiality assessment of portfolio companies, drawing on key industry standards. Global Impact works with portfolio companies to create short- and long-term ESG targets and management plans for meeting them, which are reviewed on a regular basis.

Principle 6: Global Impact monitors impact performance on an ongoing basis, including comparing actual and expected impact, and has clear processes to collect and review impact performance data. Global Impact uses tools to collect, track and report impact data and regularly evaluates the prior year's impact performance relative to expectations to identify areas of improvement.

Principle 7: Global Impact has developed a formal statement articulating an approach considering the sustainability of impact at exit, including assessing the effect of different exit pathways and the profile of potential acquirers. The fund is early in its lifecycle, and could consider further documenting its intended approach.

Principle 8: Global Impact tracks investee performance against impact metrics on an ongoing basis, assessing variance against impact projections and any unexpected negative impacts. Global Impact could further document how it uses impact performance review findings to improve operational and strategic investment decisions, as well as management processes.

¹ Principle 9 states that signatories "shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns."

² Assets under management figure as reflected in the Global Impact Disclosure Statement as of 06/20/2020. BlueMark's assessment did not include verification of the AUM figure.

Verifier Statement

Independent Verification Report

Prepared for KKR Global Impact: February 18, 2021

Assessment methodology and scope

KKR Global Impact provided BlueMark with the relevant supporting documentation for the policies, processes, and tools related to the IM system applicable to the Covered Assets. The scope of BlueMark’s work was limited to processes in place related to the Covered Assets as of January 29, 2021. BlueMark’s assessment of the IM system included an evaluation of both the system itself and supporting documentation, as well as the consistency of the draft disclosure statement with the IM system. BlueMark believes that the evidence obtained in the scope of its assessment is sufficient and appropriate to provide a basis for our conclusions.³

BlueMark’s full assessment methodology, based on its professional judgment, consisted of:

1. Assessment of the IM system in relation to the Impact Principles, using BlueMark’s proprietary rubric, and examining processes and policies against the following criteria:
 - *Compliance* of the IM system with a threshold level of practice;
 - *Quality* of the IM system’s design in terms of its consistency and robustness; and
 - *Depth* of sub-components of the system, focused on completeness
2. Interviews with KKR Global Impact staff responsible for defining and implementing the IM system;
3. Testing of selected KKR Global Impact transactions to check the application of the IM system; and
4. Delivery of detailed assessment findings to KKR, outlining areas of strong alignment and recommended improvement, as well as BlueMark’s proprietary benchmark ratings on the extent of alignment to each of the Impact Principles.

Permissions

This statement, including our conclusions, has been prepared solely for KKR Global Impact in accordance with the agreement between our firms, to assist KKR Global Impact in fulfilling Principle 9 of the Operating Principles for Impact Management. We permit KKR Global Impact to disclose this statement in its entirety online, or to furnish this statement to other interested parties to demonstrate KKR Global Impact’s alignment with the Operating Principles for Impact Management. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than KKR Global Impact for our work or this statement except where terms are expressly agreed between us in writing.

About BlueMark

BlueMark, a Tideline company, is a leading provider of impact verification services in the impact investing market. BlueMark was founded with a mission to “strengthen trust in impact investing” and to help bring more accountability to the impact investment process. BlueMark is a wholly owned subsidiary of Tideline Advisors, LLC, a certified women-owned advisory firm in impact investing. Since its founding in 2014, Tideline has become a recognized leader in impact measurement and management, working with leading asset owners and managers to design and implement impact management systems.

BlueMark has conducted this verification with an independent and unconflicted team experienced in relevant impact measurement and management issues. BlueMark has implemented a Standard of Conduct requiring our employees to adhere to the highest standards of professional integrity, ethics, and objectivity in their conduct of business activities.

BlueMark has office locations in London, UK; New York, NY; Portland, OR; and San Francisco, CA and is headquartered at 915 Battery St, San Francisco, CA 94111, USA. For more information, please visit www.bluemarktideline.com.

³ The scope of BlueMark’s assessment procedures does not include the verification of the resulting impacts achieved. BlueMark’s assessment is based on its analyses of publicly available information and information in reports and other material provided by KKR Global Impact. BlueMark has relied on the accuracy and completeness of any such information provided by KKR Global Impact. The assessment results represent BlueMark’s professional judgment based on the procedures performed and information obtained from KKR Global Impact.