



KKR Identifies Six Key Global Challenges Facing Portfolio Companies in Annual ESG and Citizenship Report

July 19, 2018

NEW YORK--(BUSINESS WIRE)-- In its eighth annual [Environmental, Social, Governance \(ESG\) and Citizenship Report](#) released today, KKR identifies key global challenges that can affect its companies, that its companies can impact, or both. Further, the report outlines the steps KKR is taking to collaborate with these businesses to improve operations and performance. It also explains the Firm's commitment to providing an unrivaled employee experience and to strengthening the communities in which it operates.

Focused on ESG and citizenship issues, the report provides a fresh look at KKR's commitment and approach to responsible investment, which involves the thoughtful consideration of ESG factors in the decision-making process and management of companies, including more than 100 private equity companies and nearly 700,000 employees around the world.

"We see both opportunities and risks on the horizon and proactively partner with our portfolio companies to thoughtfully manage them," said Elizabeth Seeger, Director of Sustainable Investing at KKR. "Our understanding of how ESG issues can drive value helps us invest responsibly while also producing better outcomes for our clients, companies and communities."

The six challenges identified in the report include adapting to climate change, supporting better agriculture, managing resource constraints, investing in infrastructure, treating and preventing disease, and focusing on employees. This focus on the workplace is a new global challenge identified in this year's report, in addition to the five global challenges highlighted in previous reports.

"Private capital plays a major role in solving some of the significant challenges facing our society. We believe we must contribute solutions and, in this report, we share how we are positioning our firm to do just that," said Joe Bae and Scott Nuttall, Co-Presidents and Co-Chief Operating Officers of KKR.

Highlights from the annual ESG and Citizenship report include the following:

- **Identifying a New Global Challenge:** This year's report identifies [The Talent Puzzle: Focusing on Employees](#) as a new global challenge affecting companies in addition to the [five global challenges](#) highlighted previously.
- **Emphasizing Dialogue:** Responsible investment is not a destination, but rather a journey of continuous growth and improvement. This report offers insight into KKR's internal dialogue on this journey with messages from [the Firm's leaders](#) and [responsible investment leaders](#) of the Global Public Affairs team.
- **Advancing Solutions:** KKR is increasingly investing in businesses that are working to address pressing societal issues. Based on where the Firm sees future opportunities, KKR has invested more than \$4.6 billion behind sustainable solutions-oriented themes since 2008.
- **Achieving Impact:** The Firm is continuing to collaborate with portfolio companies to improve their business performance. A series of case studies can be [explored](#) to learn how these KKR portfolio companies are reducing their environmental impacts, focusing on employee engagement, and bolstering innovation, while simultaneously improving the financial bottom line.
- **Rewarding Innovation:** In the spirit of innovation and value creation, KKR presented the second [Eco-Innovation Award](#) as a mechanism to encourage and reward portfolio companies for innovative, environmentally beneficial projects that create business value.
- **Driving Diversity:** Becoming more diverse and inclusive is a strategic imperative for KKR because the Firm believes this focus can maximize performance and produce better results. This year's report outlines the Firm's progress since the creation of an Inclusion & Diversity Council in 2014. Additionally, KKR collaborates with portfolio companies to enhance their recruitment and retention of talented, diverse employees.
- **Stronger Communities:** The report provides an overview of the [KKR Cares platform](#) and its strategic programs and opportunities that encourage, inspire, and support employees as they engage with nonprofits and their communities. A highlight includes KKR's 40 for 40 employee volunteering program, which has resulted in more than 650 employees giving more than 7,000 hours to nonprofits around the world.

To download the full ESG and Citizenship Report or obtain more information about KKR's progress, visit www.kkresg.com.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic manager partnerships that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. Inc. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20180719005368/en/): <https://www.businesswire.com/news/home/20180719005368/en/>

KKR
Kristi Huller or Cara Major
212-750-8300
media@kkv.com

Source: KKR