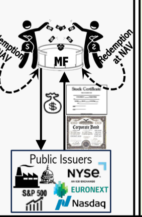
Asset Management: Landscape

March 2025

Public Company Equity and Debt Investments

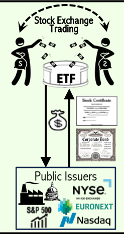
MUTUAL FUNDS (MF)

Mutual funds pool money from investors to invest in a diversified portfolio of assets, including equities, fixed income, specific industries, alternative investments and market sectors, and multi-assets. Mutual funds are bought and sold at the end of the trading day at net asset value (NAV), unlike ETF shares which trade on exchanges throughout the day at fluctuating prices. Mutual funds are typically actively managed and, thus, have higher fees that ETFs.



EXCHANGE TRADED FUNDS (ETF)

ETFs pool money from investors to invest in a diversified portfolio of assets, including equities, fixed income, specific industries/market sectors, multi-assets, and alternative investments like real estate, infrastructure, private equity, hedge funds strategies, digital assets, commodities, and foreign currencies. Unlike mutual funds, ETF shares are traded on exchanges throughout the day at market prices that can fluctuate. Many ETFs are passively managed, tracking a specific index, and as a result generally have lower fees.



Private Company and Equity and Debt Investments and Alternatives

VENTURE CAPITAL (VC)

These funds pool capital from institutional investors and high-net-worth individuals to invest in early-stage, high-growth companies in industries like technology and biotech. In exchange for equity stakes, these firms aim to generate high returns as these businesses scale and potentially exit through acquisitions or public offerings.

AI

PRIVATE EQUITY FUNDS (PE)

Private equity firms raise capital from institutional investors and wealthy individuals and use these funds to invest in controlling stakes in private companies with the goal of improving performance, restructuring, or driving growth. They eventually exit their investment through a sale, merger, or public offering, aiming to generate significant returns for their investors.

- **Traditional** (focuses on opportunistic buy-outs, growth equity for expanding companies, venture capital financing of early-stage startups with high potential, and distressed investing)
- **Hybrid** (focuses investments that share features with both private credit and traditional private equity investments and aims to generate equity-like returns with credit-like downside protection across market cycles)
- **Real Estate** (focuses on direct investing in tangible, physical assets such as real estate assets, net leases, and indirect investing via non-traded REITs and public and private real estate funds)
- **Infrastructure** (focuses investments in infrastructure assets like data centers, energy transition, transportation and logistics, sustainable living and mobility, and legacy natural resources)
- **Core** (focuses on investing in stable, cash-generating companies with lower leverage and longer holding periods, with an emphasis on operational improvements and sustainable growth over aggressive financial engineering)

Stock Certificate · Corporate Bond · HOTEL

PRIVATE CREDIT FUNDS

Private credit firms raise capital from institutional investors and high-net-worth individuals seeking higher returns and use the funds to provide direct debt financing to companies, bypassing traditional banks or public debt markets. They typically invest in loans, credit lines, or debt instruments in the forms of direct lending (via secured loans and mezzanine financings), liquid credit, structured credit, distressed debt, real estate debt, Opportunistic Credit. Private credit funds offer higher yields than traditional fixed-income investments due to the higher risk involved, but they can provide more flexible and tailored financing solutions for borrowers.

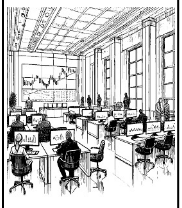
- **Direct Lending** (involves tailored lending directly to companies, without using traditional banks as intermediaries, in the form of senior secured loans or mezzanine debt and with flexible terms based on the company's specific needs; private credit funds earn higher returns due to the higher risk involved compared to traditional lending)
  - **Asset-Backed/Secured Loans** (a type of loan where the lender provides funds based on the value of borrower's assets, such as inventory, receivables, equipment, other tangible assets. The lender secures the loan with the assets so that, in the event of default, it can seize the collateral to recoup the loan) — Secured Loan Agreement
  - **Mezzanine Financing** (a hybrid of debt and equity financing typically provided to companies that are too large for venture capital but too small for traditional bank loans; mezzanine financing usually comes with higher interest rates and often includes equity warrants or other forms of upside potential) — Convertible Note
- **Liquid Credit** (focuses on publicly traded debt instruments, offering liquidity and market access, including investment-grade corporate bonds (debt issued by financially stable companies), high-yield corporate bonds (junk bonds with higher risk and potential return), bank loans (leveraged loans made to companies with lower credit ratings), and emerging market debt (bonds issued by governments or corporations in developing countries) — Corporate Bond
- **Structured Credit** (the private credit firms may (1) as an exit strategy, pool its asset-backed loans, securitize them and then sell the securities to investors, who receive principal and interest payments on the underlying loans or (2) acquire asset-backed securities issued by others) — Fannie Mae, Freddie Mac
- **Distressed Debt** (this category involves investing in the debt of companies facing financial difficulties or in default. The private credit fund may buy distressed bonds or loans at a discount and work to restructure the debt or benefit from eventual recoveries)
- **Real Estate Debt** (these are loans or other credit instruments secured by real estate assets. Private credit funds may provide financing for commercial real estate development or acquisition projects) — MORTGAGE
- **Opportunistic Credit and Special Situations** (this category includes a wide range of transactions that involve unique or non-standard situations, such as opportunistic lending in volatile markets, refinancing, recapitalizations)

Insurance Product Investments

RETIREMENT SERVICES / INSURANCE

- **Fixed Annuities** (provide a guaranteed stream of income for a specified period or for the lifetime of the annuitant in exchange for a lump sum or periodic payments made to the insurer. Payments from a fixed annuity are set at a fixed amount or rate or are pegged to an index and remain constant throughout the term, offering stability, predictability and reliable income during an individual's retirement) — NOW → LATER
- **Variable Annuities** (provide an income stream in exchange for a lump sum or periodic payments, but the income stream varies based on the performance of underlying investments—e.g., shares in a mutual fund. Unlike fixed annuities, payments from variable annuities fluctuate, offering the potential for higher returns but also greater risk. They often include death benefits or income guarantees, making them a flexible option for retirement planning) — S&P 500 · NOW → LATER
- **Funding Agreements** (a contract between an insurance company and an institutional investor, where the insurer agrees to provide a specified return or funding over a set period. It involves the investor providing capital in exchange for a guaranteed return, often structured as a fixed or floating interest rate for the purposes of helping insurance companies or pension funds manage long-term liabilities with a secure and predictable cash flow) — NOW → LATER
- **Reinsurance** (an insurance company (the ceding insurer) transfers a portion of its risk to another insurer (the reinsurer) to reduce its exposure to large claims. *Block Reinsurance* involves the transfer of a large portfolio or "block" of existing insurance policies from the ceding insurer to the reinsurer; it typically includes policies that are already written and have a known history of claims. *Flow Reinsurance* refers to an ongoing arrangement where the reinsurer accepts a continuous flow of the new business or premiums written by the ceding insurer)

SELECTED PLAYERS



SELECTED PLAYERS	MUTUAL FUNDS	EXCHANGE TRADED FUNDS	VENTURE CAPITAL	PRIVATE EQUITY FUNDS	PRIVATE CREDIT FUNDS	RETIREMENT SERVICES / INSURANCE (Fixed / Variable Annuities)	RETIREMENT SERVICES / INSURANCE (Funding Agreements / Reinsurance)
Allspring	Allspring	Allspring					
ANDREESSEN HOROWITZ			ANDREESSEN HOROWITZ				
APOLLO				APOLLO	APOLLO	ATHENE — Athene is the largest issuer of annuities in the U.S.	ATHENE
BANK OF AMERICA	MERRILL — Offers third-party mutual funds via its Merrill wealth management business	MERRILL — Offers third-party ETFs				MERRILL — Merrill Lynch Life Agency offers third-party annuities	
BlackRock	BlackRock	BlackRock; iShares by BlackRock		BlackRock	BlackRock — In December 2024, BlackRock agreed to acquire private credit firm HPS Investment Partners for $12 billion; HPS	EQUITABLE; Brighthouse FINANCIAL — BlackRock offers third-party annuity products from Equitable and Brighthouse Financial	
Blackstone	Blackstone — Blackstone offers one mutual fund: the Blackstone Alternative Multi-Strategy Fund	Blackstone		Blackstone — Blackstone is the largest commercial property owner in the world; Blackstone Real Estate Income Trust	Blackstone		
CARLYLE			ALPINVEST	CARLYLE; ALPINVEST	CARLYLE; ALPINVEST		
charles SCHWAB	charles SCHWAB — Offers proprietary mutual funds as well as third-party mutual funds	charles SCHWAB — Offers proprietary ETFs as well as third-party ETFs				charles SCHWAB — Charles Schwab offers third-party annuities	
citi	citi — Offers third-party mutual funds	citi — Offers third-party ETFs	citi VENTURES — Captive		citi — Citigroup has a new private credit alliance with Apollo Global to form a $25 billion direct lending program	citi — Citi Global Markets offers third-party annuities	
corebridge financial						American General LIFE INSURANCE — American General Life is the second-largest issuer of annuities in the U.S.	
Fidelity INVESTMENTS	Fidelity	Fidelity	F-PRIME	Fidelity	Fidelity	Fidelity — Fidelity offers third-party annuities	
Fannie Mae					Fannie Mae — Although investments in Fannie Mae residential mortgage-backed securities are not considered private credit investments, its credit risk transfer securities offerings are considered a form of private credit investment		
FRANKLIN TEMPLETON	FRANKLIN TEMPLETON	FRANKLIN TEMPLETON	FRANKLIN TEMPLETON	FRANKLIN TEMPLETON — In January 2025, Franklin launched its first private equity fund called Franklin Lexington Private Markets Fund			
Freddie Mac					Freddie Mac — Although investments in Freddie Mac residential mortgage-backed securities are not considered private credit investments, its credit risk transfer securities offerings are considered a form of private credit investment		
Goldman Sachs	Goldman Sachs	Goldman Sachs	Goldman Sachs — Goldman Sachs Investment Partners is the company's captive venture arm	Goldman Sachs Asset Management			
Invesco	Invesco	Invesco					
JPMorganChase	J.P.Morgan ASSET MANAGEMENT	J.P.Morgan ASSET MANAGEMENT		J.P.Morgan ASSET MANAGEMENT	J.P.Morgan ASSET MANAGEMENT	J.P.Morgan WEALTH MANAGEMENT — JPMorgan offers third-party annuities products	
KKR			KKR — KKR Next Generation Technology Growth Fund	KKR; KKR REAL ESTATE FINANCE TRUST	KKR	Global Atlantic FINANCIAL GROUP — Global Atlantic is the ninth-largest issuer of annuities in the U.S.	Global Atlantic FINANCIAL GROUP
Lincoln Financial	Lincoln Financial	Lincoln Financial — Offers proprietary core ETF portfolios, which consist of investments in third party ETFs				Lincoln Financial — Lincoln Financial Group is the twelfth-largest issuer of annuities in the U.S.	Lincoln Financial — Lincoln National Life Insurance issues funding agreements
MassMutual	MassMutual Investments	MassMutual Investments — MassMutual offers third-party ETFs	MassMutual Ventures — Captive	BARINGS	BARINGS	MassMutual Ascend — MassMutual is the third-largest issuer of annuities in the U.S.	MartelloRe — MassMutual is a major investor in Martello Re
MetLife	MetLife Investment Management			MetLife Investment Management		Brighthouse FINANCIAL — In 2017, MetLife spun off its annuity business as Brighthouse Financial; therefore, MetLife no longer offers annuities in the U.S.	Chariot Re — MetLife owns a 15% stake in Chariot Re
Morgan Stanley	Morgan Stanley; Eaton Vance; Calvert	Eaton Vance; Calvert	Morgan Stanley — Captive	Morgan Stanley	Morgan Stanley	Morgan Stanley — Morgan Stanley offers third-party annuities	
Nationwide	Nationwide	Nationwide	Nationwide Ventures — Captive			Nationwide — Nationwide is the seventh-largest issuer of annuities in the U.S.	Geneva Re — Nationwide and Ryan Specialty Group each own 50% of Geneva Re
NEW YORK LIFE	NEW YORK LIFE INVESTMENTS MainStay Mutual Funds — Offers 250 proprietary mutual funds as well as well-known third-party funds	indexIQ	NEW YORK LIFE VENTURES — Captive			NEW YORK LIFE — New York Life is the sixth-largest issuer of annuities in the U.S.	NEW YORK LIFE
Northwestern Mutual	Northwestern Mutual — Offers (1) proprietary mutual funds under its variable annuities and insurance products and (2) third-party mutual funds	Northwestern Mutual — Northwestern Mutual offers third-party ETFs				Northwestern Mutual	
PROLOGIS				PROLOGIS — Prologis manages both private real estate funds and a publicly-traded real estate investment trust			
Prudential	PGIM INVESTMENTS	PGIM INVESTMENTS		PGIM PRIVATE CAPITAL; PGIM REAL ESTATE		Prudential — Prudential is the tenth-largest issuer of annuities in the U.S.	Prudential — Prudential provides provides reinsurance solutions concerning longevity risk transfer to pension funds and insurers.
SEQUOIA			SEQUOIA				
SoftBank			SoftBank Vision Fund				
STATE STREET	STATE STREET GLOBAL ADVISORS	STATE STREET GLOBAL ADVISORS; SPDR		STATE STREET GLOBAL ADVISORS		STATE STREET — State Street incorporates third-party annuity features into its retirement products	
T.RowePrice	T.RowePrice — T. Rowe Price offers proprietary and third-party mutual funds	T.RowePrice					
TIAA	nuveen A TIAA Company	nuveen A TIAA Company	nuveen A TIAA Company	CHURCHILL from nuveen; nuveen A TIAA Company	TIAA	TIAA	
TIGERGLOBAL			TIGERGLOBAL	TIGERGLOBAL			
UBS	UBS	UBS; ETRACS	UBS — Captive	UBS	UBS	UBS — UBS offers third-party annuities	
USAA	charles SCHWAB; VictoryFunds — USAA previously offered its own proprietary mutual funds until 2019, when its fund business was acquired by Victory Capital. Today, Charles Schwab provides professionally-managed mutual fund investments to USAA members	charles SCHWAB; VictoryFunds — USAA previously offered its own proprietary ETFs until 2019, when its ETF business was acquired by Victory Capital. Today, Charles Schwab provides professionally-managed ETF investments to USAA members				USAA	
Vanguard	Vanguard	Vanguard				Vanguard — Vanguard offers third-party annuities	
WELLS FARGO	WELLS FARGO — Wells Fargo offers third-party mutual funds via Wells Fargo Advisors	WELLS FARGO — Offers third-party ETFs via Wells Fargo Advisors	WELLS FARGO Startup Accelerator — Captive	WELLS FARGO — Wells Fargo offers access to alternative investments for qualified investors	WELLS FARGO	WELLS FARGO — Wells Fargo offers third-party annuities	

APOLLO

Apollo: Overview

March 2025

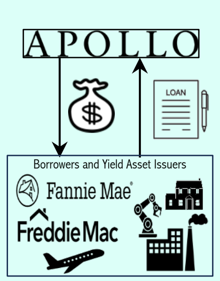
ASSET MANAGEMENT

(2024 Revenues: $3.7 Billion)

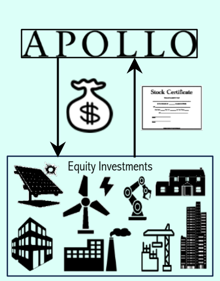
The Asset Management Segment provides investment management services and expertise to individual and institutional clients by focusing on three investment strategies: yield, hybrid, and equity. Apollo earns (1) fees based on assets under management and (2) capital solutions fees as part of (a) the company's growing capital solutions business and (b) monitoring and deployment activity relating to its private equity franchise. This segment had a team of 3,125 employees in 2024.

APOLLO
ASSET MANAGEMENT

Credit



Equity



Perpetual Capital

Capital Solutions Services

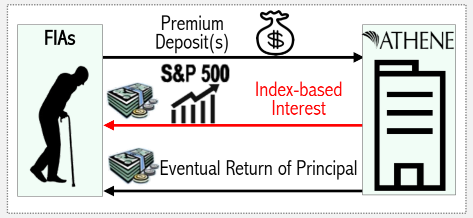
RETIREMENT SERVICES

(2024 Revenues: $11.9 Billion)

The Retirement Services Segment is conducted by Athene, a leading financial services company acquired by Apollo in 2022 that specializes in issuing, reinsuring, and acquiring retirement savings products designed for the increasing number of individuals and institutions seeking to fund retirement needs. Athene focuses on generating spread income by underwriting attractively priced, long-term, persistent liabilities and using Apollo's global scale to source or originate primarily high-grade fixed-income assets that produce modest investment outperformance, consistent with Athene's conservative risk and return profile. This segment had a team of 1,983 employees in 2024.

ATHENE
Driven to do more®

Annuities



Funding Agreements and Other

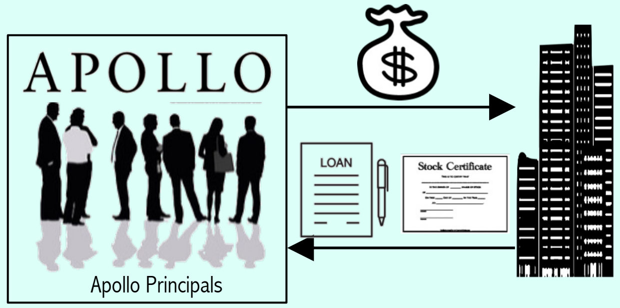
PRINCIPAL INVESTING

(2024 Revenues: $995 Million)

The Principal Investing Segment consists of (1) realized performance fee income, realized investment income from the company's balance sheet investments, and allocable corporate expenses, and (2) the parent company's growth capital and liquidity resources.

APOLLO

Co-Investments



APOLLO

Apollo: Ecosystem

Apollo Global Management, Inc.
9 West 57th Street, 42nd Floor
New York, New York 10019
Phone: 212-515-3200 Website: www.apollo.com

Outside Relationships (left)

Regulators | Capital | Suppliers | Customers

Regulators

Subjects of U.S. Regulation

Financial Services

U.S. Securities and Exchange Commission (regulates investment advisers, broker-dealers, and investment companies)

- Investment Advisers: Registration of investment advisers and regulation regarding fiduciary duties to advisory clients, maintaining an effective compliance program and code of ethical, investment advisory contracts, solicitation agreements, conflicts of interests, recording keeping and reporting requirements, disclosure, advertising and custody requirements, political contributions, limitations on agency cross and principal transactions between an adviser and advisory clients, and anti-fraud practices.
- Broker-Dealers: Registration of broker-dealers and regulation regarding the implementation of supervisory control system over the securities business, advertising and sales practices, conduct of and compensation in connection with public securities offerings, maintenance of adequate net capital, record-keeping, and conduct and qualification of employees.
- Registered Investment Companies: Registration under the Investment Company Act of certain funds managed by Apollo.
- Exempt Investment Companies: Exemption from registration for vehicles whose investors are solely "qualified purchasers" (3(c)(7)), that are real estate investment trusts (3(c)(5)(C)), or non-U.S. vehicles owned by not more than 100 persons or 100 U.S. residents (3(c)(1)).

Commodity Futures Trading Commission (registration as a commodity pool operator or commodity trading advisor; Apollo relies on exemptions from registration when available) — CFTC COMMODITY FUTURES TRADING COMMISSION

U.S. Department of the Treasury (restricted party transactions and improper payments, and economic sanctions; regulation of money laundering) — OFAC

U.S. Department of Justice (DOJ) and Federal Trade Commission (FTC) (DOJ/FTC: enforcement of antitrust and fair-trade laws, and business combination/merger reviews and clearances; and DOJ: foreign corrupt practices enforcement)

Financial Industry Regulatory Authority — FINRA (self-regulatory oversight of broker-dealer firms and regulation regarding electronic correspondence, records retention, data integrity and lost theft prevention, ethics and compliance, investor education, and market transparency)

Insurance

State Insurance Operations Regulation (agency and company licensing, calculating the value of assets, mandating certain insurance benefits, regulation of premium rates, policy forms and policyholder disclosures, advertising, unfair claims and trade practices, safeguarding personal data, statutory capital, reserve requirements and solvency standards, sales standards for annuities, approval of changes in control, dividends, affiliate transactions, types and amounts of investments, maximum interest rates on insurance policy loans, reduction of reserves by amounts ceded to a reinsurer, requirement to participate in guaranty associations (which pay insurance benefits owed by insolvent insurers), financial reporting requirements, and regulatory examinations and compliance)

State Insurance Holding Company Regulation (holding company registration, reporting, and changes in control)

Consumer Protection/Privacy

Federal and State Consumer Protection Laws (obligations to protect and safeguard consumers' nonpublic personal information and records, limitations on the re-disclosure and re-use of such information, and requirements to notify customers about their policies and practices relating to their collection and disclosure of such information and their practices relating to protecting the security and confidentiality of that information)

Capital

Public Debt Holders

Hedge Counterparties (e.g., swaps, options, futures and forward contracts, and reinsurance contracts)

Working Capital Lenders

Commercial Lenders to Apollo (Administrative Agent under AGM Credit Facility: Citibank; Administrative Agent under AHL Credit Facility: Citibank; Administrative Agent under AHL Liquidity Facility: Wells Fargo Bank)

Commercial Lenders to Apollo Funds (many of the funds Apollo manages utilize subscription lines of credit, net asset value-based fund finance facilities, margin loans, or other derivative financing arrangements to fund operations and investments, such as their equity contributions in a portfolio company)

Suppliers

Selected Categories of Suppliers

Owners of Real Estate (leased office space in New York City, Los Angeles, El Segundo, Irvine, Houston, Bethesda, Greenwich, Miami, Palm Beach, London, Frankfurt, Luxembourg, Mumbai, New Delhi, Singapore, Hong Kong, Shanghai, Seoul, Tokyo, and Sydney)

Third-Party Administrators

Paying Agents (financial institutions responsible for distributing funds on behalf of Apollo)

Depositaries

Lenders, Commercial Banks and Investment Banking Firms

Brokers

Consultants

Title Agents

Financial Data Information Services Providers

Technology and Information Systems Providers (for secure (1) collection, processing, maintenance, storage, and transmission of personally identifiable information, proprietary business data, and intellectual property, and (2) execution, confirmation, and settling of transactions, and (3) handling of compliance matters)

Customers

Asset Management Customers

Public Market Investors (in MFIC, AFT, AIF, and ARI investment companies)

High-Net-Worth Individuals (i.e., wealthy and ultra-wealthy individuals meeting minimum investor suitability standards)

Family Offices (private investment firms that manage the wealth, investments, and financial affairs of high-net-worth individuals or families)

Private Wealth Platforms (refers to a digital platform that provides high-net-worth individuals with access to a range of investment opportunities, financial tools, and services) — Vanguard, Fidelity, charles SCHWAB, MERRILL

Institutional Investors

Pension Funds (public and private)

Sovereign Wealth Funds (state-owned investment fund managing national reserves by investing them in various assets)

Endowments and Foundations

Other Institutional Investors (insurance companies, investment advisors, mutual funds, banks, and other financial institutions)

Apollo Affiliates

Investment Vehicles Managed by Apollo and Apollo Professionals

Flows (left side)

- Business Regulation
- Bond Financing
- Derivatives to Hedge Risks of Changes in Asset and Liability Values, Cash Flows, Interest Rates, Equity Markets, Currency Fluctuations, and Longevity
- Working Capital Financing
- Leases of Office Space and Supplies of Financial, Administrative, Trade Execution, Consulting, and Information Services
- (1) Offers and Sales of Unregistered (and a Limited Number of Registered) Securities in Yield-, Hybrid-, and Equity-Focused Private Equity Funds and (2) Asset Management Services on Behalf of Such Funds
- (1) Investment Sourcing Services, (2) Advisory Services, and (3) Capital Solutions Services, such as Structuring, Originating, Arranging, Structuring, and Syndicating Loans and Private Debt

Apollo Global Management, Inc. (a Delaware corporation)

Debt Structure

Debt ($10.588 Billion @ 12/31/2024) | Credit Ratings: A2 (Moody's), A (S&P), A (Fitch)

Asset Management Debt

- AGM Revolving Credit Facility: $1.25 B Capacity, with Right to Upsize to $1.5 B (Matures 2029)
- 2026-2030 Senior Notes: 1.671 B @ 2.65%-4.87%
- 2033-2054 Senior Notes: 1.53 B @ 5.00%-6.38%
- 2053-2054 Subordinated Notes: 1.078 B @ 6.00%-7.63%

Retirement Services Debt

- AHL Credit Facility: $1.25 B Capacity, with Right to Upsize to $1.75 B (Matures 2028)
- AHL Unsecured Revolving Liquidity Credit Facility: $2.6 B Capacity, with Right to Upsize to $3.1 B (Matures 2025)
- 2028-2054 Senior Notes: 5.18 B @ 3.45%-6.65%
- 2054-2064 Subordinated Notes: 1.15 B @ 6.63%-7.25%

Logo History

Corporate Brands: 1990-2018 | 2018-Present

Equity Structure

Equity Capital

- Share Repurchase Program: Authorized: $3 B; Expiration: None; Balance: $2.11 B
- 2022 Warrants: Entitlement: right to buy up to $12.5 M shares; Price: $82.80 per share (on a cashless net exercise basis); Vested: 7.5 M warrants
- 2024 Warrants: Entitlement: right to buy up to $29 M shares; Price: $73.51 per share (on a cashless net exercise basis); Vested: 0.4 M warrants
- Mandatory Convertible Preferred Stock: Issued and Outstanding: 28.75 M Shares; Dividend Rate: 6.75% per year; Liquidation Preference: $50 per share; Conversion: Automatic on July 31, 2026 (at rates between 0.5052 shares and 0.6062 shares of common stock)
- Common Stock: Authorized: 90 B Shares; Issued and Outstanding: 570.5 M Shares; Record Holders: 442

Governance

Board of Directors

Walter Clayton III (Chair, E, N)	Dr. Kerry Murphy Healy (S)	Pauline Richards (A, S)	Jim Zelter (E)
Marc Beilinson (A, C)	Mitra Hormozi (C, S)	Marc Rowan (E)	
James Belardi (E)	Pamela Joyner (N)	David Simon	
Jessica Bibliowicz (A)	Scott Kleinman (E)	Lynn Swann (C)	
Michael Ducey (A)	A.B. Krongard (N)	Patrick Toomey (S)	

Committees: Audit (A); Compensation (C); Executive (E); Nominating & Governance (N); Sustainability & Governance (S)

Executive Officers

- CEO: Marc Rowan
- Chief Legal Officer: Whitney Chatterjee
- CEO of Athene Holding: James Belardi
- CFO: Martin Kelly
- Head of Human Capital: Matthew Breitfelder
- Head of Product: Heather Berger
- President of Apollo Global Management: Jim Zelter
- Co-President of Apollo Asset Management: Scott Kleinman
- Co-President of Apollo Asset Management: John Zito

Corporate Matters

Finance and Accounting: Accounting; Investor Relations; Treasury; Financial Reporting; Tax; Strategic Finance; Financial Planning & Analysis; Audit

Human Capital: Talent Recruiting, Acquisition, Performance Management, and Development; Compensation and Benefits; Succession Planning; Citizenship; Employee Relations; Culture Work

Global Product: Product Strategy; Thought Leadership; Client Relations (e.g. wealth management solutions and institutional sales)

Sales and Marketing: Advertising and Brand Management; Retail Accounts; e-Commerce; Wholesaler, Distributor and Agent Relations

Communications: Corporate Communications; External Communications; Brand Marketing; Corporate Marketing

Legal: Transactions; Legal Operations; Corporate Governance; Compliance; Legislative and Regulatory Affairs; Litigation Management; Privacy

Origination: Oversight of Apollo's Origination Ecosystem ($200 Billion per annum, spanning corporate, sponsor, and origination platform capabilities)

Technology: Advanced Software Platforms; IT Infrastructure, Applications Licenses, and Equipment; Internal Advisor to Investment Teams and Portfolios on Technology-Related Matters; Cybersecurity; Global Technology and Tools

Other: Strategic Growth; Public Policy; Sustainability (strategy, reporting, ESG, climate initiatives, and employee engagement); Institutional Client Group; Global Financial Institutions Group; The Apollo Opportunity Foundation (launched in 2022, the foundation's goal is to invest $100 million through 2032 in non-profit organizations working to expand opportunity for underrepresented individuals)

Operations

Asset Management Segment

(2024 Revenue: $3.7 Billion | 2024 Fee-Related Earnings: $2.1 Billion)

The Asset Management Segment provides investment management services and expertise to individual and institutional clients by focusing on three investment strategies: yield, hybrid, and equity. Apollo earns (1) fees based on assets under management and (2) capital solutions fees as part of (a) the company's growing capital solutions business and (b) monitoring and deployment activity relating to its private equity franchise. This segment had a team of 3,125 employees in 2024.

Investment Management Strategies

Credit
Focuses on generating excess returns through high-quality credit underwriting and origination. Apollo seeks to originate attractive and safe-yielding assets for investors ($616.4B of AUM).

Yield Asset Issuers & Borrowers

- Direct Origination (AUM: $251.3B) (includes large corporate direct origination, middle-market direct lending, and investment grade and performing credit mandates across managed accounts and CLOs across investment grade and below investment grade in public and private markets; this strategy focuses on first lien senior secured investments and is diversified across fixed and floating rate issuance, issuer type, and sector)
- Asset-Backed Finance (AUM: $229.1B) (includes instruments that are supported first by the contractual cash flows of a pool of assets, and second by the liquidation value of those assets; asset-backed finance encompasses diverse credit types, such as mortgages, consumer credit, receivables, aircraft lending, and inventory finance, in both whole loan and bond format across the capital structure)
- Opportunistic Credit (AUM: $40.3B) (seeks to identify market inefficiencies and unique opportunities to generate excess returns; optimizes both near- and longer-term relative value across market cycles by capitalizing on investment opportunities across the credit spectrum, spanning private and public markets as well as corporate and asset-backed credit)
- Multi-Credit (AUM: $25.2B) (targets investment grade and high yield performing credit, including income-oriented, senior loan and bond corporate credit as well as asset-backed finance investments; the multi-credit strategy allocates capital across both public and private markets, seeking to generate enhanced yield and attractive risk-adjusted returns while prioritizing downside protection)

Perpetual Capital
Assets under management that have an indefinite duration.

A significant portion of Apollo's $751B of AUM ($446.5B or 59.5% in 2024) is perpetual capital. Perpetual capital assets may be withdrawn under limited circumstances and utilize a range of investment strategies. Perpetual capital includes certain assets in the credit strategy, such as (1) assets related to publicly traded and non-traded vehicles, (2) certain origination platform assets, and (3) assets managed for certain of Apollo's retirement services clients)

Equity
Seeks opportunistic-like returns through investment opportunities with creative structuring and sourcing while working with management teams of the portfolio companies to help transform and grow their businesses. Opportunities include value-oriented corporate private equity investments seeking risk-adjusted returns, hybrid value investments, lower-risk traditional private equity investments (AAA), real estate investments, secondary equities, impact investing, clean transition equity investments, and infrastructure investments ($134.7B of AUM).

Equity Investments

- Corporate Private Equity (AUM: $76.8B) (focuses on capital preservation by creating investment opportunities with attractive risk-adjusted returns across industries and geographies and throughout market cycles, utilizing a value-oriented investment approach—investing at meaningful discounts to market multiples; transactions include opportunistic buyouts, corporate carveouts, deleveraging investments, secondaries equity, and impact investments that generate positive social and/or environmental impact)
- Hybrid Value (AUM: $14.7B) (focuses on investments that share features with both private credit and traditional private equity investments and aims to generate equity-like returns with credit-like downside protection across market cycles; offers creative, partnership-driven solutions to counterparties seeking to fund growth initiatives, acquisitions, liquidity events for shareholders and balance sheet deleveraging)
- AAA (AUM: $19.5B) (offers investors access to Apollo's flagship private market strategy in a perpetual capital, semi-liquid structure that seeks to deliver equity-like returns with lower risk and more downside protection than both public equity and traditional private equity buyout strategies; encompasses core private equity, structured equity, traditional private equity, private credit, secondaries, and real assets)
- Real Estate Equity (AUM: $16.6B) (encompasses core plus and net lease investments in the non-traded REIT and public and private real estate funds Apollo manages, as well as value add and opportunistic investments strategies in real estate assets, portfolios and platforms in regionally focused private funds in both the United States and Asia)
- Infrastructure Equity (AUM: $13.6B) (focuses on investments in infrastructure assets such as digital infrastructure, energy transition/industrial decarbonization, transportation/logistics, sustainable living and mobility, legacy natural resources)

Capital Solutions Services

Apollo conducts four "capital solutions" businesses.

- Investment Opportunity Sourcing (for asset management clients)
- Capital Markets Community Relationship Building (to help clients and their portfolio investments raise debt & equity capital)
- Capital Solutions Structuring (to syndicate, place or transfer loans, securities, and other instruments for asset management clients)
- Services (originating, arranging, structuring, and syndicating loans and private debt, & providing advisory services)

Asset Management Competition

Apollo faces competition (1) in the pursuit of investor capital and (2) in making investments on behalf of funds and accounts it manages across yield, hybrid, and equity asset classes.

- Blackstone: Infrastructure and real estate arms are giant in yield-oriented investments
- KKR: Significant credit and infrastructure divisions, with increasing focus on energy and transportation for stable cash flows
- Brookfield Asset Management: Major player in infrastructure, real estate, and renewable power
- CARLYLE: Global credit platform with heavy recent investment in renewable energy for long-term, stable returns

Retirement Services Segment

(2024 Revenue: $11.9 Billion | 2024 Spread-Related Earnings: $3.2 Billion)

The Retirement Services Segment is conducted by Athene, a leading financial services company acquired by Apollo in 2022 that specializes in issuing, reinsuring, and acquiring retirement savings products designed for the increasing number of individuals and institutions seeking to fund retirement needs. Athene focuses on generating spread income by underwriting attractively priced, long-term, persistent liabilities and using Apollo's global scale to source or originate primarily high-grade fixed-income assets that produce modest investment outperformance, consistent with Athene's conservative risk and return profile. This segment had a team of 1,983 employees in 2024.

ATHENE Driven to do more.

Products

Annuities
Annuities are long-term insurance contracts that convert retirement savings into an income stream that the holder generally won't outlive. Earnings grow tax deferred until the time of maturity, at which point the annuitant can either take a lump sum or annuitize (i.e., elect to take payments over his or her life or a fixed period of months); withdrawals prior to maturity incur a surrender charge.

- Fixed Indexed Annuities (FIAs) (fixed indexed annuities (FIAs), (1) provide principal protection (no loss of initial investment) and (2) offer a potential for higher returns based on the performance of a stock market index calculated annually, such as the S&P 500, but they usually have a cap or limit on the maximum return; in a down market, the policy holder may not earn any interest for that period)
- Fixed Rate Annuities (FRAs) (unlike FIAs, **fixed rate annuities** (FRAs) earn interest at a set rate (or declared crediting rate), rather than at a rate that may vary based on an index; they include (1) **fixed rate annual reset annuities**, which have a crediting rate that is typically guaranteed for one year, and thereafter, Athene has the ability to change the crediting rate at its discretion, generally once annually, to any rate at or above a guaranteed minimum rate and (2) **multi-year guarantee annuities (MYGAs)**, which are similar to annual reset annuities except that the initial crediting rate is guaranteed for a specified number of years, rather than just one year, before it may be changed; after the initial crediting period, MYGAs can generally be reset annually)
- Registered Index-Linked Annuities (RILAs) (RILAs offer policyholders tax-deferred growth based on the performance of a market index, limited by a cap or adjusted for a participation rate; although RILAs have the potential for higher returns than FIAs, they also have the potential for risk of loss to principal and related earnings because RILAs do not provide principal protection)
- Private Placement Variable Annuities (PPVAs) (only offered via private placements to "qualified" and "accredited" investors under securities laws, Athene's PPVAs (1) allow the policyholder to allocate their money to a variety of variable separate account divisions that invest in a suite of underlying investment options and have the potential to accumulate cash value on a tax-deferred basis and (2) provide access to a suite of Apollo managed funds and other product offerings with no surrender charges and no guaranteed lifetime withdrawal benefit or guaranteed death benefit features)
- Payout Annuities (payout annuities consist of (1) **single premium immediate annuities ("SPIAs")**, which provide a series of periodic fixed payments for a fixed time or, at the policyholder's election, for the life of the policyholder, to provide a steady stream of payments for persons nearing retirement, (2) **supplemental contracts** that determine how to disperse funds upon the death of a policyholder (e.g., immediate payment to, or ongoing annuity for, the surviving spouse), and (3) **structured settlements** of litigation)
- Group Annuities (group annuities are single premium immediate annuities issued to employers to discharge pension plan liabilities; benefits cover (1) retired employees and their beneficiaries in the form of immediate annuity certificates with no cash surrender rights and (2) active employees not yet receiving benefits in the form of deferred annuity certificates and may allow lump-sum withdrawals upon a specified age or event; assets may be held in a separate account)

Income Riders to Deferred Annuities (Athene offers (1) **guaranteed income riders**, which permit policyholders to elect to receive guaranteed payments for life without annuitizing their policies and (2) **participating income riders**, which have lower levels of guaranteed income but provide the opportunity to receive greater levels of income if the index performs well)

Funding Agreements and Other

- Funding Agreements (funding agreements are privately negotiated contracts between an institutional investor (including those issued to institutions and unaffiliated trusts under Athene's FABN and secured FABR programs) and Athene, where (1) the investor deposits a principal sum with Athene, and (2) Athene agrees to provide a guaranteed return of principal and periodic interest payments, which can be fixed or floating, at a future date; funding agreements offer competitive yields)
- Repurchase Agreements (Repo) (within Athene's "Funding Agreement" product category, Athene offers repurchase agreements, where (1) an institution (seller/borrower) sells securities to Athene (buyer/lender) in exchange for cash, with an agreement to repurchase the securities later at a higher, predetermined price; (2) the securities serve as collateral, and the price difference represents the repo rate (interest); (3) upon maturity, the institution repurchases the securities by paying the agreed amount, and Athene returns the securities, completing the transaction; and (4) if the institution defaults, Athene can sell the securities to recover the loaned amount)
- Life and Other (life and other products include life insurance policies assumed through reinsurance transactions, other retail products, including legacy run-off or ceded business, and statutory closed blocks)

Retirement Services Competition

Athene faces competition in (1) annuities and (2) funding agreements.

- Annuities: Nationwide, Global Atlantic Financial Group, American Equity, Allianz, Sammons Financial, MassMutual, corebridge financial, F&G Annuities & Life
- Funding Agreements: Prudential, corebridge financial, MassMutual, MetLife, Legal & General
- Pension Group Annuities: Prudential, MassMutual, MetLife, Nationwide

Principal Investing Segment

(2024 Principal Investing Revenue: $995 Million)

The Principal Investing Segment consists of (1) realized performance fee income, realized investment income from the company's balance sheet investments, and allocable corporate expenses, and (2) the parent company's growth capital and liquidity resources.

Co-Investments

To align Apollo's team of investment professionals with the private equity funds it manages, the Principal Investing segment co-invests (on behalf of the principals of Apollo) with these funds. In return, the segment earns the following:

Realized Performance Fee Income (given the cyclical nature of performance fees, this form of earnings is inherently more volatile in nature than earnings from the other two segments)

\+ Realized Investment Income (this income consists of income from Apollo's (1) balance sheet investments and (2) strategic investments it makes from time to time to accelerate the growth of the asset management segment, investment management, and product distribution capabilities)

− Corporate Costs (certain allocable expenses related to the corporate functions supporting the entire Apollo enterprise)

− Principal Investing Compensation Expense (Apollo compensates its investment professionals with a meaningful portion of the segment's investment performance fees to align the team with investors in the private equity funds and to incentivize the delivery of strong investment performance over time)

= Principal Investing Income

Principal Investing Competition

Given the internal nature of these activities, the Principal Investing Segment does not face competition.

Retirement Services Customers

Flows: Issuance of Fixed-Indexed, Fixed-Rate, Registered Index-Linked, and Payout Annuities; Issuance of Payout Annuities; Issuance of Private Placement Variable Annuities; Issuance of Group Annuities to Discharge Pension Plan Liabilities; Issuance of Funding Agreements and Repurchase Agreements; Issuance of Reinsurance

- Retail: Individuals (seeking to fund retirement needs); Litigants (used to fund structured settlements of litigation); Qualified Purchasers (high-net-worth individuals meeting "accredited investor" status)
- Institutional: Employers (group annuity benefits purchased for current, retired, or terminated employees and beneficiaries under their terminating or continuing pension plans); Funding Agreement Purchasers (institutional investors under FABN and FABR programs, the Federal Home Loan Bank, and institutional investors in repo agreements); Insurance Companies (Athene partners with life insurance and annuity companies to decrease their exposure to certain product lines)

Commercial Lenders (includes asset-backed securities and collateralized loan obligations or CLOs)

Government Agencies and Entities (debt securities of U.S. federal government and agencies, U.S. state, municipal and political subdivisions, and foreign governments)

Outside Relationships (right)

Customers | Suppliers | Capital | Regulators

Flows (right side)

- Securities Law Regulation, Stock Listing Requirements, and Corporate Law Requirements
- Equity Capital
- Dividends and Common Stock Repurchases
- Professional Services
- Offerings, Issuances and Sales of Private and Public Equity and Fixed Income Securities, Real Estate Investments, Mortgages, Private Credit, and Alternative Asset Investments

Capital

Significant Shareholders

- Vanguard Group (7.32%)
- Founders (Leon Black: 7.5%, Marc Rowan: 6.1%, and Joshua Harris, 6%)
- Capital World Investors (5.57%)
- BlackRock (4.16%)
- FMR (3.53%) — Fidelity
- Tiger Global (2.17%)
- Institutional Ownership (62.08%)

Suppliers

Professional Service Firms

- Deloitte & Touche LLP (audit services)
- Advertising Agencies (in 2024 Apollo spent $100+ million on advertising in digital, print, and national TV)
- Brownstein Hyatt Farber Schreck, LLP (lobbying services)
- Key Law Firms: Latham & Watkins LLP, Proskauer Rose LLP, and Wachtell, Lipton, Rosen & Katz — Latham & Watkins (growth transactional legal services); Proskauer (private fund formation and structuring legal services); Wachtell Lipton Rosen & Katz (growth transactional legal services)
- Amazon Web Services (cloud computing, storage, and data analytics services platform for Athene)

Customers

Sellers of Investment Products (owners and intermediaries)

- Real Estate Funds, Lenders, Developers, and Owners (includes logistics, office, hospitality, rental housing, and retail properties, real estate-related loans, debt securities, and mortgage-backed securities)
- Private/Non-Public Entities (includes private equity and private credit, corporate bonds, opportunistic buyouts, corporate carveouts, deleveraging investments, secondaries equity, and impact investments)
- Public Entities (public and private equity securities and corporate bonds)
- Infrastructure and Other Asset Owners (alternative assets including utilities, mid-stream pipeline, renewable energy assets, and transportation)

Regulators

Securities and Corporate Governance Regulators

U.S. Securities and Exchange Commission (regulation of offers and financial securities, material event disclosure and financial reporting requirements; recordkeeping requirements under anti-bribery law)

New York Stock Exchange (listing, maintenance and corporate accountability rules) — NYSE

Delaware Secretary of State (administration and enforcement of Delaware corporation law governing business entity formation and dissolution, shareholder, board and officer governance / meetings, fiduciary duties of officers and directors, executive management duties, financial reporting, charter document amendments, mergers and acquisitions, and compliance / penalties for non-compliance)

Key Company Data (as of 12/31/2024)

Business Overview: Apollo Global Management is a leading alternative asset manager headquartered in New York City, specializing in private equity, credit, and real assets. The firm provides capital solutions to businesses through its private equity funds, direct lending, structured credit, and infrastructure investments. Apollo also manages insurance assets through its subsidiary, Athene, offering retirement services and annuity solutions. With a flexible investment approach, Apollo leverages deep industry expertise and a value-oriented strategy to drive long-term growth. The firm oversees approximately $751.0 billion in assets under management (AUM), serving institutional investors, pension funds, and high-net-worth individuals globally.

Share Data

- NYSE Stock Exchange Ticker Symbol: APO
- Share Price: $144.77 (03/20/2025)
- Earnings Per Share (Trailing 12 Months): $7.33
- Forward Annual Dividend: $1.85/share
- Market Capitalization: $82.6B (03/20/2025)

Resources

- Employees: 5,108 (Asset Management 62%, Retirement Services 38%)
- Apollo Headquarters: New York City, New York
- Athene Headquarters: West Des Moines, Iowa and a head office in Hamilton, Bermuda
- Mission: To generate attractive risk-adjusted returns for its investors through a disciplined investment approach and a focus on value creation.

Financial Highlights

Statement of Operations

- Total Revenues: $26.1 B
- Asset Management Revenues: $4.2 B
- Retirement Services Revenues: $21.9 B
- Total Expenses: $19.0 B
- Asset Management Expenses: $4.0 B
- Retirement Services Expenses: $15.0 B
- Net Income: $4.48 B

Financial Condition

- Total Assets: $377.9 B
- Total Liabilities: $346.9 B
- Debt: $10.6 B
- Equity: $30.96 B

Cash Flow

- From Operations: $3.25 B
- Used in Investing: $(61.8) B
- From Financing: $58.0 B

Financial Returns

- Return on Equity: 14.5%

Key Developments

Barnes Acquisition. In January 2025, Apollo Global Management completed its $3.6 billion acquisition of Barnes Group, taking the industrial and aerospace technology leader private and strengthening Apollo's industrial and aerospace portfolio, aligning with its broader strategy as a global alternative asset manager. — BARNES

Bridge Acquisition. Apollo Global Management agreed to acquire alternative asset manager Bridge Investment Group in an all-stock transaction valued at $1.5 billion. Bridge has $50 billion in AUM and specializes in real estate, credit, renewable energy, and secondaries strategies, aligning with Apollo's broader asset management strategy. — BRIDGE INVESTMENT GROUP

March 2025

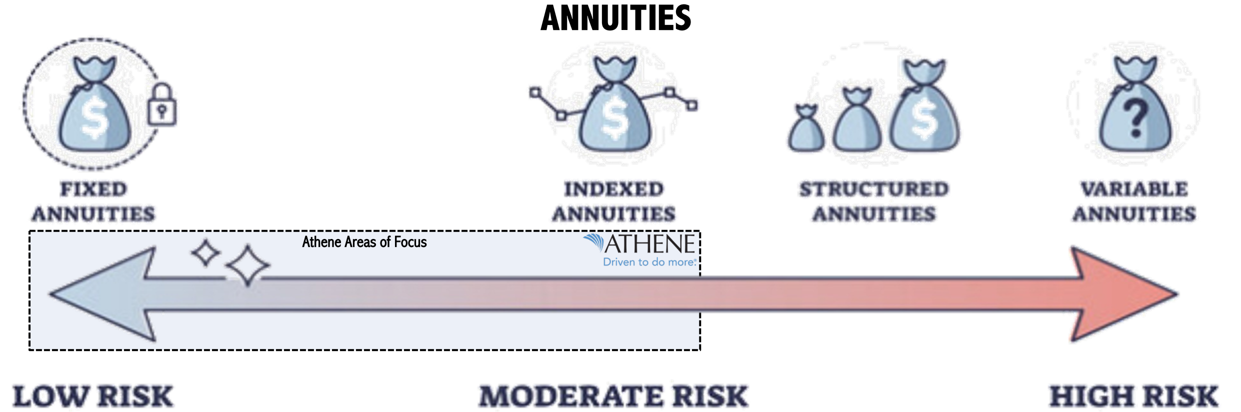
Apollo: Supplement

March 2025

FINANCING LANDSCAPE

Financing Landscape		
ENTERPRISE TYPE	EQUITY FINANCING PARTICIPANTS	DEBT FINANCING PARTICIPANTS
Public Corporations (Mature)	**Individual investors** (retail investors via brokerage firms and high net-worth individuals), **institutional investors** (mutual funds, hedge funds, index/exchange traded funds, pension funds, insurance companies, sovereign wealth funds, endowments and foundations), **banks** (investment banks, commercial banks, their wealth and asset management arms, and their market making and trading arms), **corporate strategic investors** (large corporations), and to a lesser extent, **private equity firms**	**Individual investors** (retail investors via brokerage firms and high net-worth individuals), **institutional investors** (mutual funds, hedge funds, index/exchange traded funds, pension funds, insurance companies, sovereign wealth funds, endowments and foundations), **banks** (investment banks, commercial banks, their wealth and asset management arms, their market making and trading arms), **foreign governments and agencies** (central banks and sovereign foreign governments), **corporate strategic investors** (large corporations), and **private capital firms**
Public Corporations (Young)	**Individual investors** (retail investors via brokerage platforms and high-net-worth individuals), **institutional investors** (venture capital firms, growth equity funds, mutual funds, hedge funds, index/exchange-traded funds, pension funds, insurance companies, sovereign wealth funds, endowments, and foundations), **banks** (investment banks, commercial banks, and their wealth and asset management divisions), **corporate strategic investors** (established companies seeking early-stage partnerships or synergies), and to a greater extent than mature corporations, **private equity firms** (especially those focused on late-stage or pre-IPO investments)	**Institutional investors** (venture debt funds, hedge funds, pension funds, insurance companies, sovereign wealth funds, endowments, and foundations), **banks** (investment banks, commercial banks, their venture lending arms, and their bond underwriting and trading divisions), **individual investors** (retail investors via bond markets and high-net-worth individuals), **foreign governments and agencies** (development banks, sovereign foreign governments, and supranational institutions), **corporate strategic lenders** (large corporations offering convertible debt, structured finance, or supplier credit), and **private capital firms** (private credit funds, direct lenders, and mezzanine debt investors)
Private Corporations (Mature)	**Individual investors** (high net-worth individuals), **institutional investors** (hedge funds, pension funds, insurance companies, sovereign wealth funds), **banks** (investment banks, commercial banks, and their wealth and asset management arms), **corporate strategic investors** (large corporations), and **private equity firms**	**Individual investors** (high net-worth individuals), **institutional investors** (hedge funds, pension funds, insurance companies, sovereign wealth funds), **banks** (investment banks, commercial banks, and their wealth and asset management arms), **corporate strategic investors** (large corporations), and **private credit firms**
Private (Start-up or early stage)	**Individual investors** (high net-worth individuals), **institutional investors** (hedge funds, pension funds, insurance companies, sovereign wealth funds), **banks** (investment banks, commercial banks, and their wealth and asset management arms), **corporate strategic investors** (large corporations), and **venture capital funds**	**Individual investors** (high net-worth individuals), **institutional investors** (hedge funds, insurance companies, and family offices), **banks** (commercial banks and their venture lending arms), **corporate strategic lenders** (large corporations providing credit or convertible debt), **private capital firms** (private credit funds, direct lenders, and mezzanine investors), and **venture debt funds**
Federal Governments	N/A	**Individual investors** (retail investors via brokerage firms and high net-worth individuals), **institutional investors** (mutual funds, index/exchange traded funds, pension funds, insurance companies, sovereign wealth funds, endowments and foundations), **banks** (investment banks, commercial banks, and their wealth and asset management arms, and their trading arms), **corporate strategic investors** (large corporations), and **foreign governments and agencies** (central banks and sovereign foreign governments)
State and Municipal Governments	N/A	**Individual investors** (retail investors via brokerage firms and high net-worth individuals), **institutional investors** (mutual funds, index/exchange traded funds, pension funds, insurance companies, sovereign wealth funds, endowments and foundations), **banks** (investment banks, commercial banks, and their wealth and asset management arms, and their trading arms), and **corporate strategic investors** (large corporations)

ANNUITIES



Annuities Offered by Athene							
Annuity Type	Description	Initial Investment Guaranteed or at Risk	Surrender Charge Period	Does Interest Rate Fluctuate	Downside Potential on Interest	Tax Deferral	Basis for Determining Interest Rate
Fixed-Indexed Annuities (FIAs)	A fixed indexed annuity (FIA) is a tax-deferred insurance product that provides guaranteed minimum returns with potential for higher gains linked to a stock market index, offering a balance of growth and protection.	Guaranteed	Yes	Yes, the interest rate fluctuates in accordance with the market	Risk is limited to the potential of not receiving any interest; principal is protected	Yes	Market Rate
Fixed Rate Annuities: Annual Reset Annuities	The annual reset feature in a fixed-rate annuity ensures that the interest rate is adjusted each year based on current market conditions or a predetermined formula. This allows policyholders to benefit from potential rate increases while maintaining downside protection, as previously credited interest cannot be lost due to market fluctuations.	Guaranteed	Yes	There is not fluctuation for the one-year period following the fixing of the individual rate. However, the rate is subject to adjustment at the end of each year	No	Yes	Pre-Determined Rate
Fixed Rate Annuities: Multi-Year Guarantee Annuities	A Multi-Year Guarantee Annuity (MYGA) is a type of fixed-rate annuity that offers a guaranteed interest rate for a set period, typically ranging from 3 to 10 years. It provides predictable growth, tax-deferred earnings, and principal protection, making it a stable option for conservative investors.	Guaranteed	Yes	No	No	Yes	Pre-Determined Rate
Registered Index-Linked Annuities	RILAs offer market-linked growth potential with limited downside protection. It allows investors to participate in stock market gains up to a cap while providing a buffer or floor against losses. Unlike fixed indexed annuities, RILAs expose investors to some market risk but with safeguards to reduce extreme losses.	Not Guaranteed	Yes	Yes, the interest rate fluctuates in accordance with the market	Yes, principal can be affected by poor market performance, however, floor and buffer mechanisms can help limit loss	Yes	Market Rate
Payout Annuities	A financial product that converts a lump sum into a series of regular income payments for a specified period or for the annuitant's lifetime. It provides guaranteed income and is commonly used for retirement planning. Payout annuities can be structured as immediate annuities (starting payments right away) or deferred annuities (starting at a future date). They typically do not allow withdrawals, as the principal is annuitized in exchange for steady payouts. Athene only offers immediate payout annuities.	Not Guaranteed	No	N/A	N/A	No	N/A

GLOSSARY

Accord and Credit Strategies: Accord and Credit Strategies refer to a structured investment approach that combines accord agreements (strategic frameworks or structured agreements that establish guidelines, terms, and conditions to guide financial transactions, investment decisions, or regulatory compliance) with credit-focused investments to optimize risk-adjusted returns. These strategies primarily target debt instruments such as corporate bonds, leveraged loans, structured credit, distressed debt, and private credit markets. By leveraging accord frameworks, investors align credit investments with market conditions, risk appetite, and return objectives, ensuring a balanced and disciplined approach to credit market opportunities.

Annuitization: Annuitizing a deferred annuity means converting it into a stream of regular income payments. Instead of receiving a lump sum or taking ad-hoc withdrawals, you essentially transform your accumulated savings within the annuity into a series of payments over a set period or for your lifetime. In a deferred annuity, your annuity is initially in the *"accumulation phase."* You're contributing money, and it's growing tax-deferred. Annuitization is the point where you decide to start receiving income. You elect to "annuitize" the contract, triggering the *payout phase*. At maturity, the policyholder may elect to receive proceeds in the form of a single payment or an annuity. If the annuity option is selected, the policyholder will receive a series of payments either over the policyholder's lifetime or over a fixed number of years, depending upon the terms of the contract. Some contracts require annuitization prior to maturity.

Annuity Certificates: An annuity certificate is a financial contract that guarantees periodic payments to the holder, typically as a form of retirement income. It can be immediate, where payments begin shortly after purchase, or deferred, where payments start at a later date after accumulating interest. Annuities are often used for long-term financial planning, offering options for fixed or variable returns.

Aspen Insurance Holdings Limited: Aspen Insurance Holdings Limited, founded in 2002 and headquartered in Bermuda, is a specialty insurer and reinsurer offering products across casualty, specialty, financial and professional lines, and property coverage. Acquired by Apollo Global Management in 2019 for approximately $2.6 billion, Aspen has since expanded its market position, reporting $4 billion in gross written premiums and $535 million in net income for 2023. In pursuit of further growth, Aspen has filed for an IPO, planning to list on the New York Stock Exchange under the ticker symbol "AHL," reinforcing its commitment to capital expansion and market leadership.

Athora: Athora is a leading European savings and retirement services group, focusing on providing customers with stable, long-term performance on their products. Through its subsidiaries, Athora operates in Belgium, Germany, Italy, the Netherlands, Bermuda, and Ireland, offering life insurance, reinsurance, and pension products. The company emphasizes sustainable investing and corporate social responsibility, aiming to build wealth for future income while maintaining a strong commitment to environmental, social, and governance (ESG) principles. Apollo's asset management segment provides investment advisory services to Athora's strategic liabilities platform that acquires for reinsures blocks of insurance business in the German and broader European life insurance market.

Block Reinsurance: Through block reinsurance transactions, Athene partners with life and annuity companies to decrease their exposure to one or more products or to divest of lower-margin or non-core segments of their businesses. Unlike acquisitions in which Athene acquires the assets or stock of a target company, block reinsurance allows Athene to contractually assume assets and liabilities associated with a certain book of business. In doing so, Athene contractually assumes responsibility for only that portion of the business that it deems desirable, without assuming additional liabilities.

Capital Solutions Business: Our capital solutions business focuses on (i) sourcing investment opportunities for asset management clients and their respective portfolio investments, (ii) managing relationships with the capital markets community in an effort to help clients and their respective portfolio investments to raise debt and equity capital and optimize capital structures through creative financing solutions, and (iii) structuring capital solutions in an effort to enhance our ability to syndicate, place or otherwise transfer loans, securities and other financial instruments arising from financings in an effort to drive positive outcomes for our asset management clients and their respective portfolio investments. Our capital solutions business also provides a variety of services with respect to both security and non-security financial instruments, including loans, such as originating, arranging, structuring, and syndicating loans and private debt, as well as providing advisory services and other similar services.

Catalina Holdings: Catalina Holdings, established in 2005 and headquartered in Bermuda, specializes in acquiring and managing non-life insurance and reinsurance companies and portfolios that are in run-off. In October 2017, Apollo Global Management signed a definitive agreement to acquire a majority shareholding in Catalina. This transaction was completed in October 2018, making Apollo the majority shareholder of Catalina. As part of this shareholder restructuring, Apollo committed an additional $700 million in equity capital to support Catalina's continued growth. However, as of February 2023, Apollo has been shifting its focus towards life insurance transactions, raising questions about the future of Catalina's property and casualty legacy operations.

Ceded Business: A Ceded Business refers to the portion of an insurance company's risk that is transferred to a reinsurer through a reinsurance agreement. The primary insurer, known as the ceding company, pays premiums to the reinsurer in exchange for coverage on specified liabilities. This helps insurers manage risk exposure, free up capital, and maintain financial stability while still servicing policyholders.

CLOs: Collateralized Loan Obligations (CLOs) are structured financial products that pool together corporate loans, typically those made to below-investment-grade companies, and then tranche them into securities with varying levels of risk and return. Investors in CLOs receive payments based on the cash flows from the underlying loans, with senior tranches having priority over junior ones in repayment. CLOs are widely used in credit markets to enhance liquidity and offer diversified exposure to corporate debt. They offer a way for investors to gain exposure to corporate debt, while for banks or lenders, CLOs provide a way to offload risky loans from their balance sheets.

Core: Core investments refer to low-risk, high-quality real estate assets that provide stable, predictable income with minimal operational or financial risk. These properties are typically well-located, fully leased to creditworthy tenants, and require little to no active management or improvements. They generate steady returns, primarily through rental income rather than price appreciation.

Core Plus: Core Plus is a real estate investment strategy that focuses on high-quality, income-generating properties with some potential for value enhancement through moderate improvements or management efficiencies. These properties typically have strong locations, creditworthy tenants, and stable cash flows but offer opportunities for increased returns through renovations, lease restructurings, or operational optimizations.

Core Private Equity: Core private equity typically refers to investments in established companies with steady cash flows and predictable revenue streams. These investments are usually aimed at steady income generation rather than aggressive growth or turnaround strategies.

Credit Risk: Credit risk arises from the potential that a borrower or counterparty will fail to perform on an obligation. It includes consumer credit risk and counterparty credit risk. Consumer credit risk is primarily incurred through the issuance of (i) unsecured credit including credit cards, private student loans and personal loans and (ii) secured credit including deposit secured credit cards and home equity loans. Counterparty credit risk is incurred through a number of business-facing activities including payment network settlement, certain marketing and incentive programs, asset/liability management, guarantor and insurance relationships and strategic investments.

Direct Origination: Direct origination refers to the process in which an investor or financial institution directly provides loans or credit to borrowers, bypassing intermediaries such as banks. This approach is common in private credit, real estate lending, and structured finance, where lenders originate loans tailored to specific borrower needs.

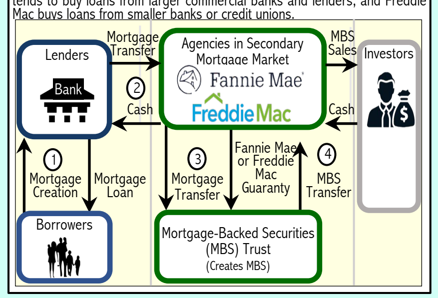
Equity: Equity is stock in a company that allows investors to share in the profits and growth of the firm. Equity is important because it represents the value of an investor's stake in a company, represented by the proportion of its shares. Owning stock in a company gives shareholders the potential for capital gains and dividends. Owning equity will also give shareholders the right to vote on corporate actions and elections for the board of directors. These equity ownership benefits promote shareholders' ongoing interest in the company.

FABN: Funding Agreement-Backed Notes (FABNs) are fixed-income securities issued by insurance companies, backed by funding agreements that provide stable, predictable returns. These agreements function similarly to annuities, offering a guaranteed interest rate over a specified term. FABNs are typically issued in private placements or through medium-term note programs and appeal to institutional investors seeking low-risk, steady income streams.

FABR: Funding Agreement-Backed Repackaging (FABR) refers to the process of securitizing funding agreements into tradeable securities. In a FABR structure, a special-purpose entity (SPE) purchases funding agreements from an insurer and repackages them into marketable securities that investors can buy. This structure enhances liquidity and investor accessibility while allowing insurers to efficiently manage capital.

Federal Home Loan Banks: The Federal Home Loan Bank Act of 1932 created the Federal Home Loan Bank system of government sponsored enterprises (FHLBanks) that encourage homeownership by providing a source of low-cost funds to member banks to be used for mortgage lending and community-related economic development. The systems consists of 11 FHLBanks, more than 6,500-member financial institutions (i.e., thrift institutions, commercial banks, credit unions, and insurance companies), and the system's fiscal agent, the Office of Finance. Each FHLBank is a separate, government-chartered, member-owned corporation. A financial institution joins the FHLBank district that serves the state where the institution's home office or principal place of business is located.

Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac): Established in 1938, the Federal National Mortgage Association (Fannie Mae, established in 1938) and Federal Home Loan Mortgage Corporation (Freddie Mac, established in 1970) are U.S. government-sponsored entities created to expand the liquidity to the residential mortgage market. Fannie Mae buys qualifying mortgage loans from larger commercial banks, pools and securitizes them, and then offers and sells them on the open market to private investors seeking safe investments. Both Fannie Mae and Freddie Mac guarantee the payment of the underlying loan principal and interest. This "secondary mortgage market" has the effect of increasing the supply of money available for (1) mortgage lending and new home purchases. In general, Fannie Mae tends to buy loans from larger commercial banks and lenders, and Freddie Mac buys loans from smaller banks or credit unions.



Fee Related Earnings: Fee Related Earnings ("FRE") is a component of Apollo's segment income that is used to assess the performance of its Asset Management segment. FRE is the sum of (i) management fees, (ii) capital solutions and other related fees, (iii) fee-related performance fees from indefinite term vehicles, that are measured and received on a recurring basis and not dependent on realization events of the underlying investments, excluding performance fees from Athene and performance fees from origination platforms dependent on capital appreciation, and (iv) other income, net, less (a) fee-related compensation, excluding equity-based compensation, (b) non-compensation expenses incurred in the normal course of business, (c) placement fees, and (d) non-controlling interests in the management companies of certain funds the Company manages.

Flow Reinsurance: Flow reinsurance is a type of reinsurance arrangement where an insurer cedes a steady and ongoing stream of insurance policies to a reinsurer, typically on an automatic basis. This approach helps insurers manage risk, capital efficiency, and underwriting capacity by transferring a portion of their liabilities in real time as new policies are issued. Flow reinsurance is commonly used in life, health, and property & casualty insurance markets to maintain balance sheet stability and optimize capital management.

Guaranteed Death Benefit: A Guaranteed Death Benefit (GDB) is a feature of certain annuities and life insurance policies that ensures a beneficiary receives a predetermined payout if the policyholder passes away. This benefit typically guarantees that the beneficiary will receive at least the original investment amount or the highest account value reached, providing financial protection and security for heirs.

Guaranteed Lifetime Withdrawal Benefit: A Guaranteed Lifetime Withdrawal Benefit (GLWB) is a rider available on certain annuities that ensures the policyholder can withdraw a set percentage of their annuity balance annually for life, even if the account value is depleted. This feature provides income security in retirement by offering predictable withdrawals while still allowing for potential investment growth.

Hybrid Value: Hybrid Value refers to a financial or investment strategy that combines features of different asset classes, products, or benefits to optimize returns and risk management. In the context of annuities and insurance, hybrid value products may blend elements of fixed and variable returns, providing policyholders with both growth potential and downside protection. These products are designed to offer flexibility, balancing market participation with income security.

Industry 4.0: Industry 4.0 investments refer to capital expenditures and strategic funding directed toward advanced technologies that drive the fourth industrial revolution. These investments focus on automation, digitalization, and smart manufacturing, incorporating technologies such as the Internet of Things (IoT), artificial intelligence (AI), big data analytics, cloud computing, robotics, cybersecurity, and additive manufacturing. The goal is to enhance efficiency, improve productivity, and create more agile and intelligent production systems.

Infrastructure Investments: Infrastructure investments involve allocating capital to physical assets and facilities that provide essential services, such as transportation, energy, utilities, telecommunications, and social infrastructure (e.g., hospitals and schools). These investments are typically long-term, capital-intensive, and generate stable, predictable returns, often through government contracts, user fees, or regulated revenue models. Infrastructure assets can be public, private, or public-private partnerships (PPPs) and are considered a defensive investment due to their low correlation with market volatility and inflation protection.

Legacy Runoff Business: Legacy Runoff Business refers to insurance policies or annuity contracts that are no longer actively sold but remain on an insurer's books until all obligations are fulfilled. These blocks of business are often managed separately, with claims and benefits being paid out over time without new policy issuance. Companies may retain or sell runoff businesses to specialized firms to free up capital and reduce long-term liabilities.

Net Lease Investments: Net Lease Investments refer to real estate agreements where the tenant, rather than the property owner, is responsible for some or all operating expenses, such as property taxes, insurance, and maintenance. These leases typically fall into three categories: single-net (N), double-net (NN), and triple-net (NNN), with NNN leases placing the most financial responsibility on the tenant. Net lease investments are attractive to investors seeking stable, long-term income with reduced landlord responsibilities.

Pension Liability: Pension liability refers to the financial obligation a company or government has to pay retirement benefits to employees. It represents the present value of future pension payments owed, based on factors like employee service, salary, and life expectancy. If a pension plan is underfunded, meaning assets are insufficient to cover liabilities, it creates a funding gap that must be addressed through contributions or adjustments.

Perpetual Capital: Perpetual Capital refers to investment funds or financial resources that have no fixed maturity date and are intended to generate returns indefinitely. Commonly used by insurance companies, private equity firms, and endowments, perpetual capital provides long-term stability, allowing firms to reinvest profits, support ongoing obligations, and weather market fluctuations without the pressure of redemptions or fixed payout schedules.

Principal Investing Income: Principal Investing Income ("PII") is a component of Segment Income that is used to assess the performance of the Principal Investing segment. For the Principal Investing segment, PII is the sum of (i) realized performance fees, including certain realizations received in the form of equity, and (ii) realized investment income, less (x) realized principal investing compensation expense, excluding expense related to equity-based compensation, and (y) certain corporate compensation and non-compensation expenses.

Private Credit: Private credit refers to non-bank lending where institutional investors, private equity firms, or specialized credit funds provide debt financing directly to companies. Unlike traditional bank loans, private credit offers more flexible terms and structures, including direct lending, mezzanine financing, distressed debt, and special situations. It is often used by businesses that seek alternative financing solutions for growth, acquisitions, or refinancing. Investors in private credit aim to generate returns through interest income and potential capital appreciation while managing credit risk.

Private Equity: Private equity (PE) refers to investments made in private companies or the acquisition of public companies to take them private, typically through buyouts, venture capital, or growth capital. Private equity firms raise capital from institutional and accredited investors to invest in businesses with the goal of enhancing their value through operational improvements, strategic initiatives, and financial restructuring. These investments are usually long-term, with returns generated through exits such as mergers, acquisitions, or initial public offerings (IPOs).

Reinsurance: Reinsurance is a risk management practice in which an insurance company transfers a portion of its risk to another insurer, known as the reinsurer, in exchange for a premium. This allows the primary insurer to reduce financial exposure, stabilize losses, and increase underwriting capacity. Reinsurance can be structured in different ways, including proportional (where risk and premiums are shared) and non-proportional (where the reinsurer covers losses above a certain threshold).

Repurchase Agreements: A repurchase agreement (repo) is a short-term borrowing arrangement where one party sells securities to another party with an agreement to repurchase them at a future date and a higher price. The difference between the selling price and the repurchase price represents the interest or cost of borrowing.

Secondaries: Secondaries refer to the buying and selling of existing private equity fund interests or stakes in private companies in the secondary market. Instead of investing directly in a fund during its initial fundraising (the primary market), investors purchase shares from other investors who wish to sell their positions before the fund's maturity. These transactions can offer liquidity for investors who want to exit early, and can provide new investors with an opportunity to buy into funds or companies at a potentially lower price, often at a discount to the net asset value.

Securitization: Securitization is a financial practice where assets, typically loans or receivables, are pooled together and converted into securities that can be sold to investors. These securities represent claims on the cash flows generated by the underlying assets. It allows companies to convert illiquid assets into tradable securities, thereby accessing capital markets and diversifying risk.

Separate Account: A Separate Account is a pooled investment fund maintained by an insurance company to manage variable annuities and life insurance policies. Unlike a general account, which is subject to the insurer's overall financial health, separate accounts are distinct from the company's assets and offer policyholders direct exposure to market investments, such as stocks and bonds, potentially leading to higher returns.

Spread Related Earnings: Spread Related Earnings ("SRE") is a component of Segment Income that is used to assess the performance of the Retirement Services segment, excluding certain market volatility, which consists of investment gains (losses), net of offsets, and non-operating change in insurance liabilities and related derivatives, and certain expenses related to integration, restructuring, equity-based compensation, and other expenses. For the Retirement Services segment, SRE equals the sum of (i) the net investment earnings on Athene's net invested assets and (ii) management fees received on business managed for others, primarily the ADIP portion of Athene's business ceded to ACRA, less (x) cost of funds, (y) operating expenses excluding equity-based compensation and (z) financing costs, including interest expense and preferred dividends, if any, paid to Athene preferred stockholders.

Statutory Closed Blocks: Statutory Closed Blocks refer to a group of insurance policies that have been legally separated within an insurance company, typically as part of a demutualization process. These blocks are closed to new policyholders, meaning no new policies can be added, but existing policies remain in force. The purpose of a statutory closed block is to ensure that policyholder dividends and benefits are protected, with assets dedicated specifically to covering the liabilities of the closed block. Insurers must manage these funds prudently to meet their ongoing obligations.

Structured Credit: Structured credit refers to financial instruments that pool and securitize debt obligations, such as loans, bonds, or receivables, into tranches with varying risk and return profiles. These products include collateralized loan obligations (CLOs), asset-backed securities (ABS), and mortgage-backed securities (MBS). Structured credit allows investors to customize risk exposure while providing issuers with alternative funding sources.

Structured Equity: Structured equity refers to a type of investment that combines elements of both equity and debt. It can involve various financial instruments such as convertible preferred shares, equity-linked notes, or other hybrid securities. Structured equity investments are designed to offer specific risk-return profiles tailored to investor preferences.

Surrender Charge: A surrender charge in an annuity is a penalty you pay if you withdraw money from your annuity before a certain period has passed. This period is known as the surrender period, and it typically ranges from 3 to 20 years, but it can be longer.

Traditional Private Equity (PE): Traditional private equity involves investing in private companies or taking public companies private with the aim of restructuring or improving operations to increase value. It often involves significant control over the company's management and strategy.

Yield Strategy: A yield strategy is an investment approach focused on generating consistent income through interest, dividends, or rental payments rather than relying on capital appreciation. This strategy is commonly used in fixed-income securities, dividend-paying stocks, real estate, and alternative assets to optimize risk-adjusted returns. Investors may prioritize high-yield assets for greater income potential or lower-yield, stable investments for long-term security.

Top U.S. Individual Annuity Sales (Q3 2024)

1. Athene Annuity & Life: $28.0 B
2. Corebridge Financial: $20.8 B
3. Massachusetts Mutual Life: $19.3 B
4. Allianz Life of North America: $16.9 B
5. Equitable Financial: $16.6 B
6. New York Life: $16.5 B
7. Nationwide: $13.4 B
8. Jackson National Life: $12.5 B
9. Global Atlantic Financial Group: $12.4 B
10. Prudential: $11.3 B

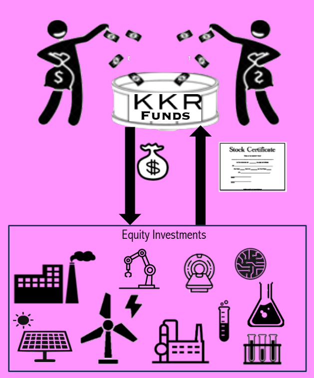
ASSET MANAGEMENT AND STRATEGIC HOLDINGS

(2024 Revenues: $3.7 Billion)

KKR's Asset Management and Strategic Holdings segment consists of four primary businesses: (1) ***Private Equity***, which manages and sponsors a group of private equity funds that invest capital for long-term appreciation (via controlling ownership stakes or strategic non-controlling minority positions) in the categories of traditional private equity, core private equity, growth equity, and global impact investments, (2) ***Real Assets***, which manages and sponsors a group of real assets funds and accounts that invest capital in infrastructure, real estate, or energy in OECD member countries and the Asia-Pacific region, (3) ***Credit and Liquid Strategies***, which consists of (a) investments in corporate debt and collateral-backed investments, and (b) strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake, and (4) ***Other Activities***, such as providing Capital Markets Services and co-investing as principal.

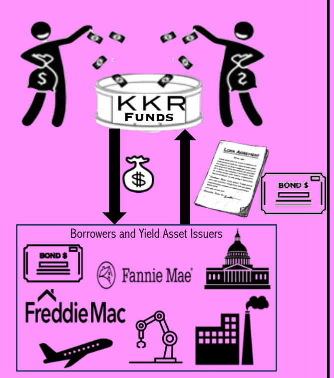
KKR

Equity



Real Assets

Credit



Capital Markets Services

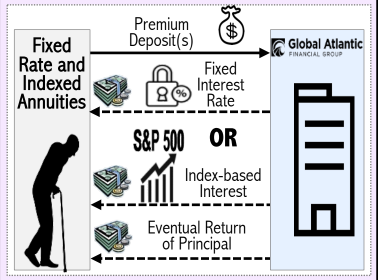
INSURANCE

(2024 Revenues: $11.9 Billion)

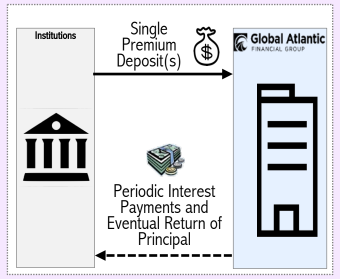
Through a controlling stake in Global Atlantic, KKR's Insurance segment offers (1) fixed-rate and fixed-indexed annuities and preneed insurance to individual customers in the U.S. who are planning for, or already in, retirement and (2) funding agreements, block reinsurance, flow reinsurance, and pension risk transfer solutions or insurance companies and other institutional clients.

Global Atlantic FINANCIAL GROUP

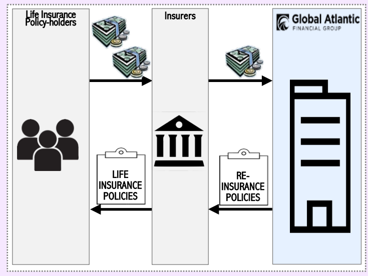
Annuities



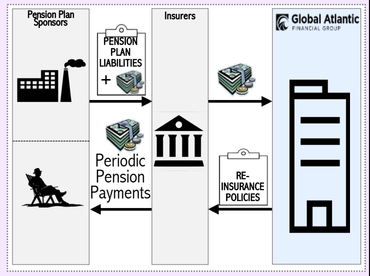
Funding Agreements and Other



Reinsurance



Pension Risk Transfer



KKR

KKR: Ecosystem

KKR & Co. Inc.
30 Hudson Yards
New York, New York 10001
Phone: (212) 750-8300; Website: www.kkr.com

Outside Relationships

Regulators	Capital	Suppliers	Customers

Regulators

Key Subjects of U.S. Regulation

Financial Services

U.S. Securities and Exchange Commission (regulates investment advisers, broker-dealers, and investment companies)

Investment Advisers: Registration of investment advisers and regulation regarding fiduciary duties to advisory clients, maintaining an effective compliance program and code of ethical, investment advisory contracts, solicitation agreements, conflicts of interests, recording keeping and reporting requirements, disclosure, advertising and custody requirements, political contributions, limitations on agency cross and principal transactions between an adviser and advisory clients, and anti-fraud practices.

Broker-Dealers: Registration of broker-dealers and regulation regarding the implementation of supervisory control system over the securities business, advertising and sales practices, conduct of and compensation in connection with public securities offerings, maintenance of adequate net capital, record-keeping, and employee conduct & qualification.

Exempt Investment Companies: Exemption from registration for vehicles whose investors are solely "qualified purchasers" (3(c)(7)), that are real estate investment trusts (3(c)(5)(C)), or non-U.S. vehicles owned by not more than 100 persons or 100 U.S. residents (3(c)(1)).

Financial Industry Regulatory Authority FINRA (self-regulatory oversight of broker-dealer firms and regulation regarding electronic correspondence, records retention, data integrity and lost theft prevention, ethics and compliance, investor education, and market transparency)

Special Servicing Regulation (K-Star Asset Management is required to maintain a special servicing rating from the major credit rating agencies under applicable state regulations in its capacity as a special servicer for CMBS and CLO transactions in which KKR has a controlling position)

U.S. Department of the Treasury (restricted party transactions and improper payments, and economic sanctions; regulation of money laundering) OFAC

U.S. Department of Justice (DOJ) and Federal Trade Commission (FTC) (DOJ/FTC: enforcement of antitrust and fair-trade laws, and business combination/merger reviews and clearances; and DOJ: foreign corrupt practices law enforcement)

Insurance

State Insurance Operations Regulation (agency and company licensing, calculating the value of assets, mandating certain insurance benefits, regulation of premium rates, policy forms and policyholder disclosures, advertising, unfair claims and trade practices, safeguarding personal data, statutory capital, reserve requirements and solvency standards, sales standards for annuities, approval of changes in control, dividends, affiliate transactions, types and amounts of investments, maximum interest rates on insurance policy loans, reduction of reserves by amounts ceded to a reinsurer, requirement to participate in guaranty associations (which pay insurance benefits owed by insolvent insurers), financial reporting requirements, and regulatory examinations and compliance audits)

NAIC National Association of Insurance Commissioners
IOWA Insurance Division

State Insurance Holding Company Regulation (holding company registration, reporting, and changes in control)

Consumer Protection/Privacy

Federal and State Consumer Protection Laws (obligations to protect and safeguard consumers' nonpublic personal information and records, limitations on the re-disclosure and re-use of such information, and requirements to notify customers about their policies and practices relating to their collection and disclosure of such information and their practices relating to protecting the security and confidentiality of that information)

Capital

Public Debt Holders

Commercial Banks: Administrative Agents
(KKR 5-Year Revolver: HSBC Bank USA) HSBC
(KCM 364-Day Revolver: Mizuho Bank) MIZUHO
(KCM 5-Year Revolver: Mizuho Bank) MIZUHO
(Global Atlantic 5-Year Revolver: Wells Fargo Bank) WELLS FARGO

Suppliers

Key Supply Categories

- Owners of Real Estate (leased office space in New York City, Hong Kong, London, Miami, San Francisco, Singapore, Tokyo, and other cities)
- Third-Party Administrators (insurance policy administration, security transactions, recordkeeping, text preparation, government filings, trustee services, administration services,)
- Paying Agents (financial institutions responsible for distributing funds on behalf of KKR)
- Custodians and Depositaries
- Lenders, Commercial Banks and Investment Banking Firms
- Prime Brokers
- Consultants
- Title Agents
- Technology and Information Systems, Financial Data, and AI Services Providers
- Escrow Agents
- Placement Agents and Distribution Partners

Customers

Asset Management Clients

Traditional Fund Vehicles

- Individual Investors (i.e. wealthy and ultra-wealthy individuals meeting minimum investor suitability standards, family offices, and private wealth digital platforms)
- Institutional Investors: Pension Funds (public and corporate); Insurance Companies; Sovereign Wealth Funds (state-owned investment fund managing national reserves by investing them in various assets); Endowments and Foundations; Investment Managers (investment advisors, mutual funds, banks, and other financial institutions)

K-Series Fund Vehicles (no fixed termination dates and limited opportunities for liquidity)

- Individual Private Wealth Investors (K-Series Vehicles are distributed to qualified investors of private banks, broker dealers, and independent investment advisors or through third-party managed vehicles sponsored by distributors or third-party feeder providers.)

Capital Markets Clients

- Private/Non-Public Entities (includes companies globally in energy infrastructure, consumer retail, digital infrastructure, transportation, life sciences, healthcare and financial services) — Privately-held Company
- Public Entities (public company equity securities and corporate bonds) — NYSE, Nasdaq
- Real Estate Developers and Owners (logistics, office, hospitality, rental housing, and retail properties, real estate-related loans and debt securities)
- Infrastructure and Alternative Asset Owners (includes utilities, mid-stream pipelines, renewable energy assets, water and wastewater treatment, and transportation)

Flows to KKR (left side):
- Financial Services, Insurance, and Data Protection Regulation →
- Bond Financing →
- Working Capital Financing →
- Leases of Office Space and Supplies of Financial, Administrative, Trade Execution, Consulting, and Information Services →
- ← Offers and Sales of Unregistered Securities in Private Equity, Real Assets, and Private Credit Funds
- ← (1) Investment Sourcing Services, and (2) Asset Management and Advisory Services
- Offerings, Issuances and Sales of Private and Some Public Equity and Fixed Income Securities, Real Estate Investments, Mortgages, Private Credit Instruments, and Infrastructure and Alternative Assets ↑

KKR Co. Inc (a Delaware corporation)

Debt Structure

Debt ($ 49.6 Billion @ 12/31/2024) | KKR Credit Ratings (LT Unsecured): A (S&P, Fitch), AA- (Japan Agency) | Insurance Credit Ratings (LT Unsecured): A- (S&P), A (Fitch)

Working Capital (Asset Management)			Long-Term Debt (Asset Management)		Working Capital & Long-Term Debt (Insurance)		
KKR Senior Unsecured Multi-currency Revolving Credit Facility: $2.75B capacity, with right to upsize by $750M (matures July 2029)	KCM 364-Day Revolving Credit Facility: $750M capacity (matures April 2025)	KCM 5-Year Revolving Credit Facility: $750M capacity (matures April 2029)	Senior Notes (in USD): USD $5.0B, Yen 1.45B, Euro 673M, USD $690M @1.67-5.44% weighted average	Other Notes (in USD): $500M in Subordinated Notes and $259M in Junior Subordinated Notes @4.63%	5-Year Revolving Credit Facility: $1.0B capacity (matures May 2029)	Senior Notes (in USD): USD $2.55B @5.67% weighted average	Subordinated Notes (in USD): USD $1.35B @6.14% weighted average

Logo History

Corporate Brands

1976 - 2011	2011 - Present
KKR	KKR

Equity Structure

Equity Capital

Share Repurchase Program	Series I Preferred Stock	Common Stock
Authorized: $500M to be added to the previously authorized amount once it drops to $500M; Expiration: None; Remaining: $69M	Authorized: 1 share; Issued: 1 share; Record Holders: 1	Authorized: 3.5B shares; Issued & Outstanding: 888.3M shares; Record Holders: 43

Governance

Board of Directors

- Henry R. Kravis (Chair,N,E)
- Mary N. Dillon (R,C)
- Patricia F. Russo (A,C)
- George R. Roberts (Chair,N,E)
- Arturo Gutiérrez Hernández (C)
- Robert W. Scully (A,C,N)
- Joseph Y. Bae
- Xavier B. Niel
- Evan T. Spiegel
- Adriane M. Brown (R)
- Scott C. Nuttall
- Matthew R. Cohler (A,R)
- Kimberly A. Ross (A)

Committees: Audit Committee (A), Risk Committee (R), Conflicts Committee (C), Nominating and Corporate Governance Committee (N), Executive Committee (E)

Executive Officers

- Co-Executive Chairman: Henry R. Kravis
- Co-Executive Chairman: George R. Roberts
- Co-Chief Executive Officer: Joseph Y. Bae
- Co-Chief Executive Officer: Scott C. Nuttall
- Chief Legal Officer and General Counsel: Kathryn K. Sudol
- Chief Financial Officer: Robert H. Lewin
- Chief Operating Officer: Ryan D. Stork
- Chief Administrative Officer: Dane E. Holmes

Corporate Functions

Finance and Accounting: Accounting and Financial Reporting; Treasury; Tax; Risk Management; Financial Planning & Analysis; Corporate Development; Internal Audit

Administration: Human Capital (talent attraction development and retainment, employee training and professional development, workshops, mentoring, executive coaching, feedback, and on-the-job experiences, health and wellness, culture, and inclusion and diversity); Communications; Marketing; Sustainability (incorporating business-relevant ESG, regulatory, and geopolitical considerations into investment decision-making and investment management practices with a focus on creating and protecting value for KKR portfolio companies and assets, responsible investment policies, and annual sustainability report); Citizenship (philanthropy, employee engagement, and sustainable community programs)

Operations: Global Operations (daily operations, including coordination with corporate functions, business segments, and other departments); Technology (IT infrastructure and equipment, business applications licenses, cybersecurity, cloud services); Enterprise Risk; Investor & Client Relations; Corporate Services; Project Oversight; Budget Approvals and Oversight; Compliance Monitoring

Legal & Compliance: Legal Operations (includes contract management, subsidiary management, and documents retention); Transaction Support; Corporate Governance; Ethics and Compliance; Regulatory Affairs; Conflict Management; Employee Conduct & Data Privacy; Trading Oversight

Executive: Firm Management; Portfolio Management Committees (execution of investment theses, and tracking of performances through regular monitoring of detailed operational and financial metrics and ESG issues); Regional Private Equity Investment Committees; Portfolio Company Board Service (sourcing and evaluation of individual investment opportunities)

KKR Capstone: Consulting/Operational Improvement Firm (KKR subsidiary that works closely with KKR portfolio companies to improve operations, drive value creation, and enhance business performance); Operational Expertise; Value Creation; Industry Specialization (healthcare, energy, consumer products, industrials, and technology); Collaboration with Portfolio Companies

Operations

Asset Management and Strategic Holdings (2024 Revenues: $7.2 Billion)

Private Equity

The Private Equity business manages and sponsors a group of private equity funds that invest capital for long-term appreciation (via controlling ownership stakes or strategic non-controlling minority positions) in the categories of traditional private equity, core private equity, growth equity, and global impact investments. This segment focuses on achieving multiples of invested capital and attractive risk-adjusted internal rates of return by (1) selecting high-quality investments at attractive prices, (2) applying rigorous due diligence, (3) implementing strategic and operational changes that drive growth and value creation in acquired businesses.

Co-heads of Private Equity: Pete Stavros, Nate Taylor
Manager: Kohlberg Kravis Roberts & Co. L.P.

Traditional Private Equity

KKR's traditional private equity investment strategy typically seeks to engage in management buyouts, build-ups, or other investments with a view to acquire control or have significance influence, by working closely and cooperatively with the management of portfolio companies. The traditional private equity portfolio consists of over 130 companies headquartered in 20+ countries operating in 20+ general industries with approximately $285 billion of annual revenues.

FUNDRAISE — KKR — INVESTMENT (Traditional Private Equity) — Controlling Stake — PORTFOLIO COMPANIES

Core Private Equity

KKR's core private equity strategy targets investments with a longer holding period and a lower anticipated risk profile than the traditional private equity investments. The core private equity investments are made in companies that are more stable, with typically lower than average leverage over the holding period, than those in traditional private equity funds.

KKR's ownerships in companies acquired via participation in the core private equity strategy (i.e., stakes in 18 companies) or otherwise are now a stand-alone "Strategic Holdings" segment.

FUNDRAISE — KKR — INVESTMENT (Core Private Equity) — Controlling Stake — PORTFOLIO COMPANIES (More stable, low-risk companies with longer holding period)

Growth Equity

KKR's growth equity strategy focuses on investing in (1) emerging, high-growth companies in the technology, media and telecommunications (TMT) sector (e.g., software, security, semiconductors, consumer electronics, IoT, information services, and digital media) , and (2) opportunities in the health care sector primarily in the U.S. and Europe (e.g., biopharmaceuticals, medical devices, diagnostics, life science tools, and healthcare information technology).

FUNDRAISE — KKR — INVESTMENT (Growth Equity) — Controlling Stake — PORTFOLIO COMPANIES (Tech, Media, Telecom & Health Care)

Global Impact

KKR's global impact strategy focuses on identifying and investing in opportunities across the Americas, Europe and Asia where financial performance and societal impact are intrinsically aligned. It aims to generate private equity-like risk-adjusted returns by investing in small to medium-sized companies that contribute toward one or more of the United Nations Sustainable Development Goals.

FUNDRAISE — KKR — INVESTMENT (Global Impact) — Controlling Stake — PORTFOLIO COMPANIES (Sustainable Development Contributing Companies)

Private Equity Competition: Blackstone, EQT, CVC Capital Partners, TPG, Apollo, Goldman Sachs, Carlyle

Real Assets

The Real Assets business manages and sponsors a group of real assets funds and accounts that invest capital in infrastructure, real estate, or energy in member countries of the Organisation for Economic Co-operation and Development and the Asia-Pacific region.

Head of Real Assets: Raj Agrawal
Manager: Kohlberg Kravis Roberts & Co. L.P.

Infrastructure

KKR's infrastructure platform seeks to achieve returns including current income through the acquisition and operational improvement of assets important to the functioning of the economy, including investments in such sectors as power and utilities, midstream, energy and energy transition, transportation, asset leasing, water and wastewater, telecommunications, and social infrastructure. KKR's Diversified Core Infrastructure Fund (established in 2020) seeks core infrastructure and related opportunities focusing on investments with predominantly contracted or regulated cash flows in North America and Western Europe.

Real Estate

KKR's real estate platform focuses on (1) equity investments in residential and commercial assets in the U.S., Western Europe, and the Asia-Pacific, including at the property-level as well as through open-ended funds and real estate investment trusts to have influence over the real estate assets; and (2) real estate financings through commercial mortgage-backed securities, whole loans, and subordinated debt.

Energy

KKR's energy platform consists of (1) its controlling stake in Crescent Energy Company, which acquires, develops, and operates oil and natural gas properties; and (2) the management of investment vehicles that own oil and gas assets in proven basins across the lower 48 U.S. states, and complemented by non-operated assets, mineral and royalty interests and midstream infrastructure.

Real Assets Competition: Blackstone, Brookfield, Ares, Apollo, Nuveen Real Estate

Credit and Liquid Strategies

The Credit and Liquid Strategies business consists of (1) investments in corporate debt and collateral-backed investments, and (2) strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake.

Co-Heads of Credit & Markets: Adam Smith, Christopher Sheldon
Manager: KKR Credit Advisors (US) LLC, KKR Credit Advisors (Ireland) Unlimited Company, KKR Credit Advisors (EMEA) LLP, KKR Credit Advisors (Singapore) Pte. Ltd.

Credit Platform

KKR's credit platform invests capital in a broad range of corporate debt and collateral-backed investments across asset classes and capital structures. It pursues a variety of investment strategies in leveraged credit and alternative credit.

Leveraged Credit. The leveraged credit strategies seek to primarily invest in leveraged loans (including revolving credit facilities), CLOs (collateralized loan obligations), high yield bonds, structured credits, stressed securities, and illiquid credits. This platform deploys opportunistic, multi-assets, and senior secured revolving credit strategies.

Alternative Credit. The alternative credit strategy consists of the (1) private credit strategies that focus on privately or directly originated and negotiated transactions, including direct lending typically in the senior part of a company's capital structure, junior mezzanine debt, and asset-based finance, and (2) opportunistic, strategic investments in corporate credit and asset– or real estate–backed credit of high quality, mid-to-large cap companies and assets, as well as debt or equity investments in stressed or distressed enterprises.

Hedge Fund Platform

KKR's hedge fund platform consists of strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake. This includes a 39.9% interest in PAAMCO Prisma Holdings, LLC, which focuses on liquid alternative investment solutions, and a 39.6% interest in Marshall Wace LLP, which specializes in long/short equity products.

KKR — 39.9% PAAMCO PRISMA; 39.6% MARSHALL WACE

* KKR omits any reference to Paamco in its 2024 10-K

Credit & Liquidity Strategies Competition: Blackstone, Oaktree, Ares, Apollo, Carlyle

Other Activities

KKR (1) provides capital markets services (e.g., debt and equity financings, securities offerings, and private placements) for companies seeking financing and (2) to demonstrate its commitments in the strategies of the Private Equity, Real Assets, Credit and Liquidity Strategies businesses, commits the company's own capital alongside these managed funds.

Capital Markets

KKR's capital markets business line develops and implements both traditional and non-traditional capital solutions for investments or companies seeking financing. These services include arranging debt and equity financing, placing and underwriting securities offerings, and providing other types of capital markets services that result in the firm receiving fees.

IPO
Co-Heads of Credit & Markets: Adam Smith, Christopher Sheldon
Flagship Subsidiaries: KKR Capital Markets LLC, KKR Capital Markets Asia Limited

Principal Activities

KKR's principal activities business line (1) manages the firm's own assets on its balance sheet and deploys capital to support and grow the Private Equity, Real Assets, and Credit and Liquid Strategies business lines, (2) provides the required capital to fund the various commitments of the Capital Markets business line when underwriting or syndicating securities, or when providing term loan commitments for transactions involving portfolio companies and for third parties, and (3) holds assets that are utilized to satisfy regulatory requirements for the Capital Markets business line and risk retention requirements for certain investment vehicles.

KKR FUNDS — KKR Funds Investments
KKR PRINCIPALS — KKR Principals' Co-Investments

Capital Markets/Principal Investing Competition: Blackstone, TPG, Ares, Apollo. Given the internal nature of these activities, the Principal Investing Segment does not face competition.

Insurance (2024 Revenues: $14.7 Billion)

Insurance

Through its wholly owned Global Atlantic subsidiary, KKR offers (1) fixed-rate and fixed-indexed annuities to individual customers, and (2) reinsurance solutions and funding agreements for institutional clients.

Operator: Global Atlantic Financial Group

Individual Markets

Global Atlantic provides fixed-indexed and fixed-rate annuities or life products to individuals in the U.S. who are planning for, or are already in, retirement. The annuity products are distributed through a network of distribution partners, including over 200 banks and broker-dealers and over 200 marketing organizations.

- FIAs: Premium Deposit(s) → Global Atlantic; S&P 500 Index-based Interest; Eventual Return of Principal
- FRAs: Premium Deposit(s) → Global Atlantic; Fixed Interest Rate; Eventual Return of Principal
- Life Products: Indexed Universal Life Insurance (ceased issuing new policies on 7-1-2023); Preneed Insurance to fund pre-planned funerals upon death

Institutional Markets

Global Atlantic provides its institutional clients customized reinsurance solutions to assist them in meeting their strategic, risk management and capital goals. The institutional solutions include funding agreements, block reinsurance, flow reinsurance, and pension risk transfer (PRT) transactions.

- Institutions — Funding Agreements: Single Premium Deposit → Global Atlantic; Periodic Interest Payments and Eventual Return of Principal
- Life Insurance Policy-holders — Block Reinsurance: Life Insurance Policies; Insurers; Ceded Life Insurance Policies → Global Atlantic
- Life Insurance Policy-holders — Flow Reinsurance: Life Insurance Policies; Insurers; Re-Insurance Policies → Global Atlantic
- Pension Plan Sponsors — PRT Transactions: Pension Plan Liabilities; Insurers; Re-Insurance Policies → Global Atlantic

Insurance Competition: Nationwide, Athene, American Equity, Allianz, Sammons Financial, MassMutual, Corebridge Financial, F&G

Flows below Operations: Sales of Capital Markets Services, including Arranging, Debt and Equity Financing and Placing and Underwriting Security Offerings ↓

Capital Markets Clients: Multi-national Corporations; Public and Private Companies (NYSE, Nasdaq, Private Property); Financial Sponsors; Mutual Funds; Pension Funds; Sovereign Wealth Funds; Hedge Funds

Outside Relationships

Customers	Suppliers	Capital	Regulators

Flows (right side):
- ← Securities Law Regulation, Stock Listing Requirements, and Corporation Law Requirements
- ← Equity Capital
- Dividends and Common Stock Repurchases →
- ← Professional Services
- Issuance of Deferred-Income Annuities; Fixed-Indexed Annuity Income Guarantees; Registered Index-Linked Annuities (RILA); Fixed-Indexed Annuities, and Variable Annuities →
- Sales of Preneed Insurance Policies →
- Issuance of Payout Annuities →
- Issuance of Funding Agreements →
- Sales of Flow and Block Reinsurance →
- Issuance of Group Annuities to Discharge Pension Plan Liabilities →

Customers

Insurance Customers

Individual Market

- Individuals in or Nearing Retirement (fixed and variable annuities)
- Individuals Anticipating or Planning for Death (preneed insurance)

Institutional Market

- Litigants (used to fund structured settlements of litigation)
- Institutional Investors (investors under Funding Agreement-Backed Notes (FABNs) and Funding Agreement-Backed Repacking (FABR) programs, the Federal Home Loan Banks, and other institutions) — FHLBanks
- Insurance Companies (Global Atlantic partners with life insurance and annuity companies offer reinsurance to reduce their exposure to certain product lines)
- Employers ((group annuity benefits purchased for current, retired, or terminated employees and beneficiaries under terminating or continuing pension plans)

Suppliers

Professional Service Firms

- Deloitte & Touche LLP (audit services) — Deloitte
- FGS Global (strategic communications and public relations services) — fgs global
- Key Lobbyists (Foley & Lardner, Akin, Gump et al, and Polaris Government Relations) — Foley, Akin, Polaris
- Key Law Firms (Paul, Weiss, Rifkind, Wharton & Garrison, and Simpson Thacher & Bartlett: private equity, M&A, tax, antitrust, and financing legal services) — Paul Weiss, Simpson Thacher
- Cloud Services Providers (Amazon Web Services, and Microsoft Azure: cloud computing, storage, and data analytics services platform) — aws, Microsoft Azure

Capital

Significant Shareholders

- George R. Roberts (9.80%)
- Henry R. Kravis (9.33%)
- The Vanguard Group, Inc. (6.38%)
- BlackRock, Inc. (5.29%)
- Capital International Investors (3.96%)
- Institutional Ownership (61.28%)

Regulators

Securities and Corporate Governance Regulators

- U.S. Securities and Exchange Commission (SEC) (regulation of offers and sales securities, material event disclosure and financial reporting requirements; recordkeeping requirements under anti-bribery law)
- New York Stock Exchange (listing, maintenance and corporate accountability rules) — NYSE
- Delaware Secretary of State (administration and enforcement of Delaware corporation law governing business entity formation and dissolution, shareholder, board and officer governance / meetings, fiduciary duties of loyalty and care of directors, executive management duties, financial reporting, charter document amendments, mergers and acquisitions, and compliance / penalties for non-compliance)

Key Company Data (as of 12/31/2024)

Business Overview: KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of The Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries.

Share Data

- NYSE Ticker Symbol: KKR
- Share Price: $116.71 (03/20/2025)
- Earnings Per Share (Trailing 12 Months): $3.27
- Forward Annual Dividend: $0.70/share
- Market Capitalization: $107.7 (03/20/2025)

Resources

- Employees: 4,834 (Asset Management-2,523 and Insurance-1,613)
- Headquarters: New York City, New York
- Key Facilities: Hudson Yards executive office in New York City; KKR also leases office space in other parts of North America, Europe, the Middle East, and the Asia-Pacific)
- Responsible Investment: KKR believes in incorporating such business-relevant issues as sustainability, regulation and geopolitics in its investment process as a means of creating and protect value.

Financial Highlights

Statement of Operations

- Revenues: $21.9B
- Asset Management: $7.2B
- Insurance: $14.7B
- Expenses: $21.0B
- Asset Management: $5.8B
- Insurance: $15.2B
- Operating Income: $0.9B
- Investment Income: $5.0B
- Net Income: $3.1B

Financial Condition

- Total Assets: $360.1B
- Total Liabilities: $298.1B
- Long-Term Debt: $49.6B
- Equity: $60.4B

Cash Flow

- From Operations: $6.7B
- Used in Investing: ($19.1B)
- Used in Financing: $7.1B

Financial Returns

- Return on Equity: 5.13%

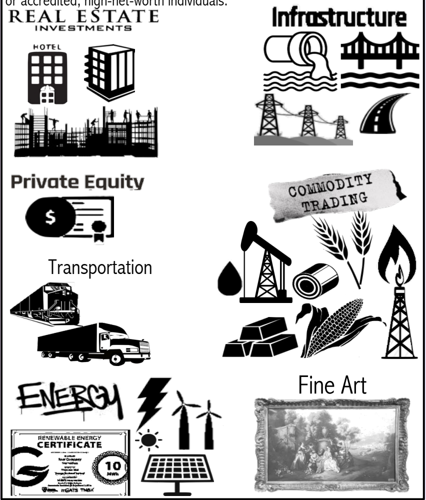
Key Developments

Acquisition History. KKR completed 271 acquisitions with an average acquisition amount of $2.93 billion. Its most active year was 2021, with 32 acquisitions, and it has averaged nearly 10 acquisitions annually over the past three years. These acquisitions are over 29 countries with most of them being in the United Kingdom and United States.Most of KKR's acquisitions are in waste and water management (9) and telecommunications operators (7).

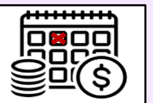
Assets Under Management (AUM). In April 2024, KKR's co-CEOs announced goals to increase AUM in five years by two-thirds to over $1 trillion, earnings per share fivefold from $3.42 to $15.00 in 10 years, and its market cap by double to over $200 billion.

March 2025

Alternatives: An alternative investment is a financial asset that does not fall into one of the conventional investment categories, such as stocks, bonds, and cash. By contrast, most alternative investments are fairly illiquid and can include private equity, venture capital, private credit, hedge funds, managed futures, art and antiques, commodities, derivatives contracts, and real estate. Most alternative investments are held by institutional investors or accredited, high-net-worth individuals.



Annuities: An annuity is a contract between the annuitant and an insurance company that requires the insurer to make payments to the annuitant, either immediately or in the future. The annuitant gets a fixed amount of money for the rest of his or her life in return for a lump sum payment or a series of installments.

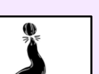


Asset-Backed Securities (ABS): An asset-backed security (ABS) is a financial security backed by a loan, lease or receivables against assets other than real estate and mortgage-backed securities. Originators of ABSs pool assets such as auto loans, mobile home loans, credit card loans, and student loans and then repackages them into interest-bearing securities backed by those assets.

Assets Under Management (AUM): Assets under management (AUM) is the total market value of the investments managed by a person or entity on behalf of clients. AUM fluctuates to reflect the flow of money in and out of a fund and the price performance of the assets. A fund's management fees and expenses are often calculated as a percentage of AUM. In 2024, the top investment managers (by AUM) were:

- Blackrock: $10.47 trillion — BlackRock
- Vanguard: $9.3 trillion — Vanguard
- Fidelity: $5.3 trillion — Fidelity
- State Street: $4.3 trillion — STATE STREET GLOBAL ADVISORS
- Morgan Stanley: $3.6 trillion — Morgan Stanley
- JPMorgan Chase: $3.56 trillion — JPMorganChase
- Credit Agricole (includes Amundi): $2.9 trillion — CREDIT AGRICOLE, Amundi
- Goldman Sachs: $2.8 trillion — CAPITAL GROUP
- UBS: $2.62 trillion — UBS
- Capital Group: $2.6 trillion — CAPITAL GROUP

Balanced (or Hybrid) Fund: Also known as asset allocation funds, this type of mutual fund invests in a hybrid of securities including stocks, bonds, money markets, or alternative investments with the goal of reducing the risk of exposure across asset classes.

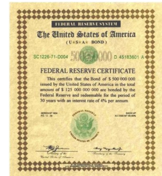


Bond: A bond is a fixed-income instrument that represents a loan made by an investor to a borrower (typically corporate or governmental). When companies or other entities need to raise money to finance new projects, maintain ongoing operations, or refinance existing debts, they may issue bonds directly to investors. The borrower (issuer) issues a bond that includes the terms of the loan, interest payments that will be made, and the time at which the loaned funds (bond principal) must be paid back (maturity date). The interest payment (the coupon) is part of the return that bondholders earn for loaning their funds to the issuer. The interest rate that determines the payment is called the coupon rate.

Bond credit quality refers to the risk associated with the bond. If the issuer has a poor credit rating, the risk of default is greater, and these bonds pay more interest. Credit ratings for a company and its bonds are generated by credit rating agencies like Standard and Poor's, Moody's, and Fitch Ratings.

Investment Grade Bonds: These are very highest quality bond. These typically include debt issued by the U.S. government and very stable companies, such as many utilities.

High-Yield Bonds: Also referred to as junk bonds, these bonds are not considered investment grade but are not in default. These bonds have a higher risk of default in the future and investors demand a higher coupon payment to compensate them for that risk.



Bond Funds: A bond fund invests in corporate, government, or municipal bonds, or other debt instruments with the goal of creating a steady stream of monthly, quarterly, or semi-annual interest income to investors.

Business Development Corporation (BDC): A BDC is a type of publicly traded company that primarily invests in small and mid-sized businesses, typically through debt and equity financing. BDCs aim to provide capital to companies that may have difficulty accessing traditional financing options, while also generating income for their shareholders. They often focus on fostering growth in various sectors and may offer additional support through management expertise and strategic guidance to help their portfolio companies succeed.

Collateralized Loan Obligations (CLO): A collateralized loan obligation (CLO) is a type of structured financial product that pools together a diverse portfolio of corporate loans and packages them into different tranches with varying levels of risk and return. These loans are typically leveraged loans made to corporations with lower credit ratings. The CLO issuer then sells securities backed by these loan portfolios to investors. The cash flows generated from the underlying loans, such as interest and principal payments, are used to pay interest and principal to the holders of the CLO securities. The structure of CLOs allows for risk to be diversified across multiple loans, reducing the overall risk for investors. Additionally, CLOs offer potential for attractive returns, especially for investors willing to take on higher levels of risk. However, they also carry risks, such as credit risk associated with the underlying loans and market risk related to changes in interest rates and economic conditions.

Convertible Bond: Convertible bonds are corporate bonds that can be exchanged for common stock in the issuing company. Considered a core component of mezzanine financing, convertible bonds are a hybrid of debt and equity financing typically provided to companies that are too large for venture capital but too small for traditional bank loans.

Credit Risk: Credit risk is the probability of a financial loss resulting from a borrower's failure to repay a loan. Essentially, credit risk refers to the risk that a lender may not receive the owed principal and interest, which results in an interruption of cash flows and increased costs for collection. Lenders can mitigate credit risk by analyzing factors about a borrower's creditworthiness, such as their current debt load and income. Interest payments from the borrower or issuer of a debt obligation are a lender's or investor's reward for assuming credit risk.

Direct Lending Fund: in private equity is a type of investment fund that provides loans directly to companies, typically middle-market or smaller businesses, rather than investing in publicly traded securities or purchasing debt from other lenders. Here's a breakdown of its key aspects:

- Direct Loans: Unlike traditional banks or financial institutions that might syndicate loans or sell them to other investors, direct lending funds make loans directly to companies. These loans can be used for various purposes, such as financing acquisitions, capital expenditures, or general corporate needs.
- Target Market: Direct lending funds often focus on middle-market companies, which are too small to access large-scale public debt markets but are too large to rely solely on traditional small-business financing.
- Structure: The loans provided by these funds can take various forms, including term loans, revolving credit lines, or other customized debt structures. These loans are usually senior or subordinated (mezzanine) debt, depending on the fund's strategy and risk profile.
- Risk and Return: Direct lending funds typically seek higher returns compared to traditional senior debt investments due to the higher risk associated with lending to less established or higher-risk companies. The loans may offer higher interest rates or additional fees as compensation.
- Due Diligence: These funds often have a hands-on approach to assessing and managing risk. They conduct thorough due diligence on borrowers, including financial health, business plans, and management teams, to mitigate risk.
- Relationship: Direct lending funds may build long-term relationships with their borrowers, providing not just capital but also strategic support and guidance. This relationship can enhance their ability to manage and monitor investments effectively.
- Investors: Typically, institutional investors such as pension funds, insurance companies, and endowments invest in direct lending funds, seeking to diversify their portfolios and achieve attractive risk-adjusted returns.

Equity: Equity is stock in a company that allows investors to share in the profits and growth of the firm. Equity is important because it represents the value of an investor's stake in a company, represented by the proportion of its shares. Owning stock in a company gives shareholders the potential for capital gains and dividends. Owning equity will also give shareholders the right to vote on corporate actions and elections for the board of directors. These equity ownership benefits promote shareholders' ongoing interest in the company.

Equity Funds: Also know as stock funds, equity funds are categorized based on the size of the companies they invest in (small cap, mid cap, or large cap), their investment approach (aggressive, income, value, etc.), and whether they invest in U.S. or foreign equities.

Equity Derivatives: An equity derivative is a financial instrument whose value is based on the equity movements of the underlying asset.

Examples of equity derivatives include:

Equity Options: An equity option represents the right, but not the obligation, to buy or sell a stock at a certain price, known as the strike price, on or before an expiration date.

Equity Swaps: An equity swap is an exchange of future cash flows between two parties that allows each party to diversify its income for a specified period of time while still holding its original assets. An equity swap is similar to an interest rate swap, but rather than one leg being the "fixed" side, it is based on the return of an equity index.

Warrants: Warrants are similar to equity options, except warrants are issued by a specific company rather than an exchange.

Structured Notes: A structured note is a debt obligation that also contains an embedded derivative component that adjusts the security's risk-return profile. The return performance of a structured note will track both the underlying debt obligation and the derivative embedded within it. This type of note is a hybrid security that attempts to change its profile by including additional modifying structures, thus increasing the bond's potential return.

Futures (on individual securities, indices, or baskets of securities): Futures are derivative financial contracts that obligate parties to buy or sell an asset at a predetermined future date and price.

Exchange Traded Fund (ETF): An ETF, or exchange-traded fund, is a type of investment fund whose shares are traded on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. They offer investors a way to pool their money in a fund that makes investments in stocks, bonds, or other assets and, in return, to receive an interest in that investment pool. Unlike mutual funds shares, which are priced at the end of each trading day and can only be redeemed by the fund, shares in ETFs are priced and can be bought and sold throughout the trading day. ETFs typically offer lower fees and more versatility than mutual funds, making them an attractive choice for many investors.

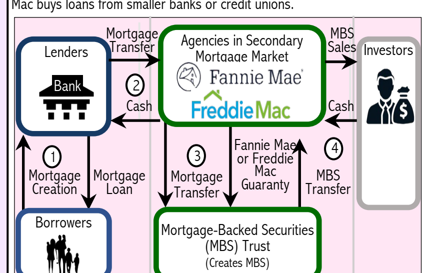
FABN: Funding Agreement-Backed Notes (FABNs) are fixed-income securities issued by insurance companies, backed by funding agreements that provide stable, predictable returns. These agreements function similarly to annuities, offering a guaranteed interest rate over a specified term. FABNs are typically issued in private placements or through medium-term note programs and appeal to institutional investors seeking low-risk, steady income streams.

FABR: Funding Agreement-Backed Repackaging (FABR) refers to the process of securitizing funding agreements into tradeable securities. In a FABR structure, a special-purpose entity (SPE) purchases funding agreements from an insurer and repackages them into marketable securities that investors can buy. This structure enhances liquidity and investor accessibility while allowing insurers to efficiently manage capital.

Federal Home Loan Banks: The Federal Home Loan Bank Act of 1932 created the Federal Home Loan Bank system of government sponsored enterprises (FHLBanks) that encourage homeownership by providing a source of low-cost funds to member banks to be used for mortgage lending and community-related economic development. The systems consists of 11 FHLBanks, more than 6,500-member financial institutions (i.e., thrift institutions, commercial banks, credit unions, and insurance companies), and the system's fiscal agent, the Office of Finance. Each FHLBank is a separate, government-chartered, member-owned corporation. A financial institution joins the FHLBank district that serves the state where the institution's home office or principal place of business is located.

FHLBANKS
A NATION OF LOCAL LENDERS

Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac): Established in 1938, the Federal National Mortgage Association (Fannie Mae, established in 1938) and Federal Home Loan Mortgage Corporation (Freddie Mac, established in 1970) are U.S. government-sponsored entities created to expand the liquidity to the residential mortgage market. Fannie Mae buys qualifying mortgage loans from larger commercial banks, pools and securitizes them, and then offers and sells them on the open market to private investors seeking safe investments. Both Fannie Mae and Freddie Mac guarantee the payment of the underlying loan principal and interest. This "secondary mortgage market" has the effect of increasing the supply of money available for (1) mortgage lending and new home purchases. In general, Fannie Mae tends to buy loans from larger commercial banks and lenders, and Freddie Mac buys loans from smaller banks or credit unions.



Fixed Income: Fixed income securities are financial instruments that provide investors with a steady stream of income in the form of interest payments over a specified period. Unlike stocks, which represent ownership in a company, fixed income securities represent loans made by investors to issuers, such as governments, corporations, or municipalities. These securities include bonds, notes, and certificates of deposit (CDs), among others. The issuer promises to repay the principal amount borrowed (the face value) at maturity, along with periodic interest payments. Fixed income securities are classified based on their maturity, credit quality, and issuer type, and they offer varying levels of risk and return. They are popular among investors seeking stable income and capital preservation, and they play a crucial role in diversifying investment portfolios and managing risk.

Funding Agreements: A funding agreement refers to a deposit-type contract issued by Global Atlantic's insurance company subsidiaries that provides its holder with a guaranteed return of principal and periodic interest payments in exchange for the payment to Global Atlantic of a lump-sum payment at the time of contract.

Hedge Fund: A hedge fund is an investment fund that pools capital from accredited individuals or institutional investors to invest in various assets, often with more flexibility and strategies than traditional investment funds. Hedge funds aim to generate returns that are uncorrelated with the broader market, using techniques like leverage, derivatives, and short selling to manage risk and enhance returns. They typically charge both management fees and performance fees based on the fund's performance relative to a benchmark.

Index Fund: Index funds are mutual funds or ETFs that follow a benchmark index, such as the S&P 500 or the Nasdaq 100. When an investor puts money in an index fund, that cash is then used to invest in all the companies that make up the particular index, which gives the investor a more diverse portfolio than if he or she was buying individual stocks.

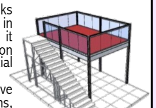
INDEX FUNDS

Market Risk: Market risk is the possibility that an individual or other entity will experience losses due to factors that affect the overall performance of investments in the financial markets. Also known as systematic risk, market risk affects the performance of the entire market simultaneously. Market risk may arise due to changes to interest rates, exchange rates, geopolitical events, or recessions. Conversely, specific risk, or unsystematic risk, involves the performance of a particular security and can be mitigated through diversification.

Mezzanine Lending Fund: A mezzanine lending fund is a type of investment fund that specializes in providing financing to companies, typically through a combination of debt and equity. Mezzanine financing sits between senior secured debt and equity in the capital structure of a company. It is considered higher risk than senior debt but lower risk than pure equity investment. Mezzanine debt is desirable because its provides businesses with financing without the need to surrender significant, expensive equity.

Key features of a mezzanine lending fund include:

- ***Structure:*** Mezzanine loans often have characteristics of both debt (interest payments) and equity (potential for profit participation or equity conversion).
- ***Risk and Return:*** Investors in mezzanine funds typically seek higher returns than traditional debt holders due to the increased risk involved. They may receive higher interest rates or profit participation in exchange for the risk.
- ***Usage:*** Mezzanine financing is commonly used in leveraged buyouts (LBOs), growth capital investments, and refinancing situations where companies need capital beyond what traditional senior lenders are willing to provide.
- ***Subordination:*** Mezzanine debt ranks below senior debt in terms of priority in case of bankruptcy or liquidation, but it ranks above equity. This subordination affects the risk profile and potential returns for investors.
- ***Term:*** Mezzanine loans usually have longer terms than typical bank loans, often ranging from five to seven years, aligning with the business goals of growth and expansion.



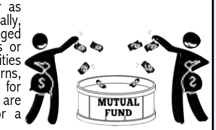
Money Market Funds: Also know as liquidity funds, money market funds invest in instruments such as cash, cash equivalent securities, and high-credit-rating, short-term debt-based securities (e.g., U.S. Treasuries) to offer investors high liquidity with a low level of risk.

Mortgage-Backed Securities (MBS): Mortgage-backed securities (MBS) are investment products similar to bonds. Each MBS consists of a bundle of home loans and other real estate debt bought from the banks that issued them. Investors in mortgage-backed securities receive periodic payments similar to bond coupon payments. The investor who buys an MBS is essentially lending money to home buyers. An MBS is as safe as the mortgage loans that back it up. There are two types of MBSs:

Pass-Throughs: Pass-throughs are structured as trusts in which mortgage payments are collected and passed through to investors. They typically have stated maturities of five, 15, or 30 years. The life of a pass-through may be less than the stated maturity depending on the principal payments on the mortgages that make up the pass-through.

Collateralized Mortgage Obligations (CMO): CMOs consist of multiple pools of securities, known as slices or tranches. The tranches are given credit ratings, determining the rates returned to investors. Tranches within an MBS can have different credit risk profiles.

Mutual Fund: A mutual fund is a type of investment vehicle that pools money from many investors to purchase a diversified portfolio of stocks, bonds, or other securities. Managed by professional money managers, mutual funds aim to produce capital gains and income for the fund's investors. Each shareholder participates proportionally in the gains or losses of the fund. Mutual funds offer an affordable way for individuals to access a diversified, professionally managed portfolio. The value of a mutual fund is determined at the end of each trading day and is known as the net asset value (NAV), which is calculated by dividing the total value of all the securities in the portfolio by the total number of the fund's shares. Mutuals may not be sold on a market, like ETF. Instead, to exit one's investment in mutual fund, the investor must request the mutual to redeem the shares at the NAV at the close of business on the date of the request. Mutual funds are popular among investors for their simplicity, diversification, and access to professional management. Mutual funds pass the gains on to investors in the year the fund realizes them for as long as investors own shares. Generally, most mutual funds are actively managed meaning the fund manager uses his or her experience to buy and sell securities to pursue better-than-market returns, which can translate to higher costs for investors. ETFs on the other hand, are mostly passively managed to mirror a benchmark or index like the S&P 500.



In some fund complexes, retail investors may only invest in fund shares through intermediaries, such as a broker-dealer, bank, trust company, and insurance company.

Net Asset Value: For mutual funds, the NAV is calculated at the end of each trading day based on the closing market prices of the portfolio's securities. This value determines the price at which investors buy and sell shares in the fund. While ETFs also have a NAV, they differ from mutual funds in that ETFs are traded throughout the day on stock exchanges at market prices that can differ from the NAV.

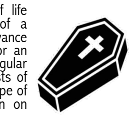
OECD: Refers to the Organisation for Economic Co-operation and Development, an international organization comprising 38 member countries. It promotes policies to improve the economic and social well-being of people worldwide, focusing on economic growth, trade, education, and sustainable development. The OECD serves as a forum for governments to collaborate on addressing global challenges and sharing best practices. Key members include the United States of America, Germany, Japan, the United Kingdom, and France.

OECD

Pension Risk Transfer (PRT) Transaction: Refers to a transaction in which a pension plan sponsor, such as a corporation, transfers the risk associated with the pension plan's liabilities to an insurance company.

Perpetual Capital: Perpetual Capital refers to assets under management with an indefinite term, that are not in liquidation and for which there is no requirement to return capital to investors through redemption requests in the ordinary course of business, except were funded by new capital inflows.

Preneed Life Insurance: Refers to a type of life insurance designed to cover the expenses of a person's funeral and burial. It is purchased in advance of the need, typically through a funeral home or an insurance provider. The policyholder pays regular premiums or a lump sum to ensure that the costs of their funeral are covered upon their death. This type of insurance can help relieve the financial burden on family members during a difficult time.

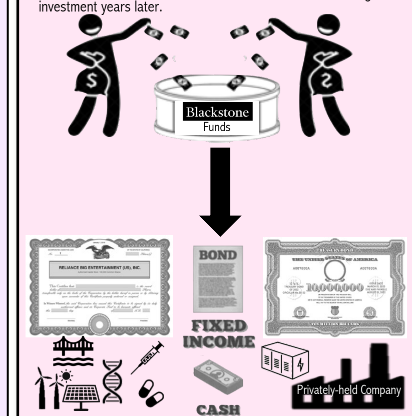


Private Credit: Refers to a type of debt financing where non-traditional lenders, such as private equity firms, hedge funds, or specialized credit funds, provide loans or credit to companies that may not easily access capital from traditional banks or public debt markets. These loans can take various forms, including direct lending, mezzanine financing, or distressed debt investments. Private credit often involves higher interest rates and more flexible terms compared to conventional bank loans, making it attractive for borrowers in need of customized financing solutions. Investors in private credit seek to generate returns through interest payments and potential capital appreciation while taking on varying degrees of credit risk.

Private Equity: Refers to a form of investment in which capital is provided by private individuals, institutional investors, or firms to acquire, invest in, or provide funding to privately held companies. These investments are typically not publicly traded on stock exchanges. Private equity investors often take an active role in the management and growth of the companies they invest in, aiming to improve their profitability and value. They may seek to achieve returns through various strategies, such as buyouts, venture capital, or mezzanine financing. Private equity investments are typically illiquid and involve a longer investment horizon compared to publicly traded stocks or bonds.

PRIVATE EQUITY IN BRIEF

Overview. Private Equity Firms manage investment partnerships that buy and manage private companies (and occasionally public companies) before selling them. In contrast to venture capital firms, most private equity firms and their funds invest in mature companies rather than startups and manage portfolio companies to increase their worth or extract value before exiting the investment years later.

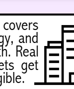


Structure. Private Equity Firms raise capital from institutional (and, to a lesser extent, accredited or high net worth individual) investors to launch these private equity funds. The funds are typically operated as limited partnerships with the investment managers serving as the general partner, managing funds in exchange for management fees and a share of the profits above a present minimum threshold (carried interest). Because the investments a fund makes are maybe held for a relatively long time before exit, investors are usually required to commit significant capital for years, which is why access to such investments are limited to institutional and wealthy investors.

Top Public PE Firms. Several of the largest private equity firms are now publicly listed companies. Blackstone was the first to issue shares in a public offering in 2007. Today, KKR, Carlyle Group, Apollo Global Management, and Oaktree Capital Management all have publicly traded shares.

- Blackstone: $1.0 Trillion AUM
- APOLLO: $751 Billion AUM
- KKR: $636 Billion AUM
- CARLYLE: $425 Billion AUM
- OAKTREE: $200 Billion AUM

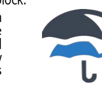
Real Assets: Real Assets is an investment asset class that covers investments in physical assets such as real estate, energy, and infrastructure. Real assets have an inherent physical worth. Real assets differ from financial assets in that financial assets get their value from a contractual right and are typically intangible.



Real Estate Investment Trust (REIT): A Real Estate Investment Trust (REIT) is a company that owns, operates, or finances income-generating real estate. These trusts pool capital from investors to purchase or manage properties, ranging from commercial office buildings and shopping centers to apartment complexes and hotels. REITs are designed to provide investors with a way to invest in real estate without directly owning or managing properties themselves. They typically distribute a significant portion of their income as dividends to shareholders, enjoying certain tax advantages by meeting specific regulatory requirements. REITs are traded on major stock exchanges, offering liquidity and a means for investors to access the real estate market.

Reinsurance: Refers to a risk management practice in which an insurance company transfers a portion of its risk to another insurer (the reinsurer) in exchange for a premium. This allows the primary insurer to reduce financial exposure, stabilize losses, and increase underwriting capacity. Reinsurance can be structured in different ways, including proportional (where risk and premiums are shared) and non-proportional (where the reinsurer covers losses above a certain threshold). Global Atlantic provides block and flow insurance to insurance companies:

- Block Reinsurance: Refers to a transaction in which an insurance company divests a block of insurance policies to Global Atlantic in exchange for Global Atlantic's obligation to pay a specified portion of future insurance claims arising from that block.
- Flow Reinsurance: Refers to an agreement in which an insurance company writes new retail policies and shares an economic portion of such newly issued policies with Global Atlantic, as its reinsurer, on an ongoing basis.



Residential or Commercial Mortgage-Backed Securities (RMBS or CMBS): Residential and Commercial Mortgage-Backed Securities are financial instruments that represent an ownership interest in a pool of residential or commercial mortgages. These mortgages are typically originated by banks, mortgage lenders, or other financial institutions and then packaged together by investment banks or government-sponsored enterprises like Fannie Mae or Freddie Mac in the case of residential mortgages. The pool of mortgages serves as collateral for the RMBS or CMBS, and cash flows from the underlying mortgage payments (including principal and interest) are passed through to investors in the form of periodic payments. RMBS and CMBS allow mortgage lenders to transfer the risk associated with their mortgage portfolios to investors, thereby freeing up capital for further lending. Investors in RMBS and CMBS receive regular income payments based on the performance of the underlying mortgages, but they also assume risks such as credit risk (the risk of default by mortgage borrowers), prepayment risk (the risk of early repayment of the mortgages), and interest rate risk.

Secondaries: Secondary funds, commonly referred to as secondaries or continuation transactions, purchase existing interests or assets from primary private equity fund investors.

SMAs: Refers to Separately Managed Accounts, personalized investment vehicles managed by professional asset managers, offering tailored portfolios based on individual investor goals, risk tolerance, and preferences. Unlike mutual funds or ETFs, SMA investors directly own the underlying securities in their portfolio, providing greater flexibility, transparency, and control. SMAs are known for their tax efficiency, as investors can employ strategies like tax-loss harvesting. This investment vehicle is often favored by high-net-worth individuals or institutions seeking a more customized approach to managing their assets.

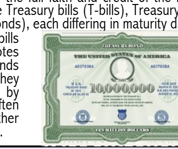
Social Infrastructure: Refers to buildings and areas where people gather and interact. Examples include schools and universities, hospitals and healthcare centers, libraries and community centers, parks and recreational facilities, cultural institutions like museums and theaters, and public spaces like town squares and plazas.

Structured Securities: Refers to loan-backed securities that have been divided into two or more classes of investors where the payment of interest and/or principal of the securities has been allocated in a manner that is not proportional to interest and/or principal received by the issuer from the mortgage pool or other underlying securities. One example is a Collateralized Debt Obligation (CDO), complex financial instruments that were prominent before the 2008 financial crisis. Here's how they work:

- Creation: A financial institution, often an investment bank, creates a CDO. They pool together various debt instruments, such as mortgages, bonds, or loans, into different classes or layers.
- Tranches: CDOs typically have several tranches with varying levels of risk and return. These tranches are structured so that the higher-rated tranches are considered less risky, while the lower-rated tranches are riskier but offer potentially higher returns.
- Payment Structure: The cash flows generated from the underlying debt instruments are used to make interest and principal payments to investors in the CDO. Each tranche receives payments in a specific order, with the most senior (least risky) tranches receiving payments first and the junior (riskier) tranches receiving payments later, if at all.
- Credit Enhancement: To attract investors, CDOs often include credit enhancements, such as insurance or other guarantees, to provide additional protection to the higher-rated tranches.
- Risk Distribution: By structuring the CDO with different tranches, the risk associated with the underlying debt is distributed among investors. This allows investors with varying risk appetites to participate in the CDO market.
- Complexity: CDOs can be highly complex, and assessing their true risk can be challenging, as they involve multiple layers of debt and interdependencies among different securities.

Structured securities like CDOs illustrate how financial institutions can create complex instruments by packaging and repackaging various financial assets. While they can offer diversification and risk management opportunities, they also pose significant risks and require a deep understanding of the underlying assets and structures.

Treasury Securities: Treasury securities are financial instruments issued by the government to raise funds, often considered among the safest investments due to their backing by the full faith and credit of the issuing government. These securities include Treasury bills (T-bills), Treasury notes (T-notes), and Treasury bonds (T-bonds), each differing in maturity dates and interest payment schedules. T-bills mature in less than a year, T-notes range from 2 to 10 years, and T-bonds have maturities of 20 to 30 years. They are commonly bought and traded by investors seeking low-risk returns, often used as benchmarks for pricing other debt instruments in financial markets.



United Nations Sustainable Development Goals:

SUSTAINABLE DEVELOPMENT GOALS

UNITED NATIONS BLUEPRINT FOR A SUSTAINABLE FUTURE

1. No Poverty
2. Zero Hunger
3. Good Health and Well-Being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation, and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life below Water
15. Life on Land
16. Peace, Justice, and Strong Institutions
17. Partnerships