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# Global Wealth Investment Playbook

**Q3 2026**

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Private investments are speculative and not suitable for all investors, nor do they represent a complete investment program. Private investments include numerous risks, including illiquidity risk, which means investments are typically required to be held for a period before they are eligible for redemption. Investors in private strategies may also realize higher fees, and some assets may have valuations which could be difficult to verify. There can be no assurance that any investment strategy will be successful.

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Investments cannot be made directly in a broad-based securities index. The risk/return profile of the S&P 500 and Russell 3000 are materially different from those of the Fund and any other KKR Product, and an investment in the Fund is not comparable to an investment in the securities that comprise the S&P 500 or Russell 3000 indices. The S&P 500 and Russell 3000 are not used or selected by KKR as an appropriate benchmark to compare relative performance of any KKR Product, but rather are included herein solely because they are well-known and widely-recognized indices. Investors should be aware that private equity funds such as the Fund may incur losses both when major indices are rising and when they are falling.

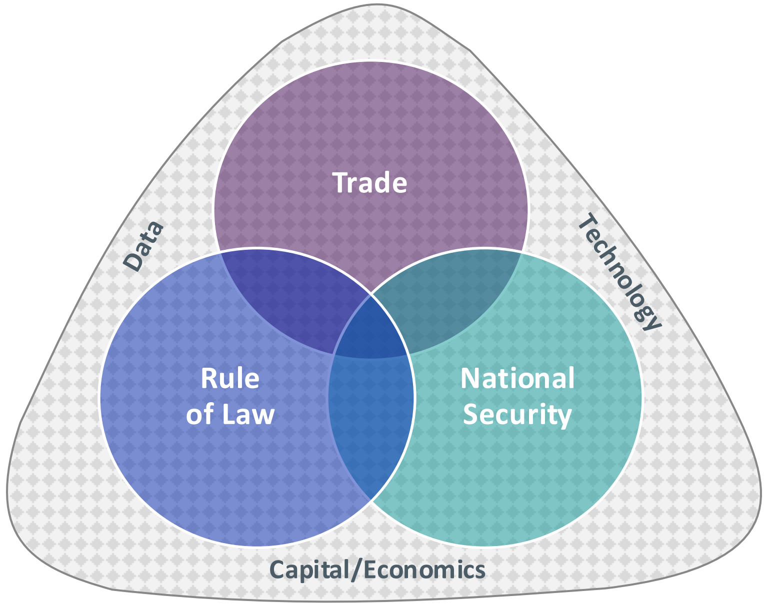
# The Most Important Things to Know In 3Q26

| | |
|---|---|
| **The Divergence Conundrum** | We are no longer in a broad, synchronized cycle. Growth, inflation, labor, housing, earnings, and access to productivity are increasingly diverging across sectors, regions, and income cohorts. This backdrop is complicating central banks' reaction function. In this environment, we continue to believe investors should stay focused on quality, upfront yield, portfolio construction, and assets that can benefit from productivity gains without requiring a quick return to the old low-rate regime. |
| **Productivity Is the Cycle Extender** | Unlike prior cycles, this expansion is being powered by capex and productivity gains rather than consumption, housing, or credit. AI is accelerating the trend, but broader gains from automation and services-sector efficiency are already boosting margins and profitability. |
| **Focus On 'High Grading' Portfolios** | One of the most important insights today is that the cost to upgrade portfolios remains relatively low. Quality across both Equities and Credit is not being priced at the premium one might expect this late in the cycle. |
| **Risks Are Increasing But Not Systemic** | AI-driven disruption remains modest today, but it is reshaping business models from significant capital flows. We also believe Private Credit risks are contained, with defaults concentrated in lower middle market and 2021/2022 vintages. Low leverage levels for consumers and corporates, healthy earnings, and persistent AI-driven demand support our view that risks are manageable, though dispersion across sectors remains elevated. |
| **Reinforcement of Our '*Regime Change*' Thesis** | Recent geopolitical developments are reinforcing—not reversing—our *Regime Change* thesis (higher inflation, greater geopolitical uncertainty, and more supply-driven volatility) given the competing interests surrounding critical minerals, commodities, tight supply chains, and AI inputs. We still favor assets linked to a higher resting heart rate for inflation as many input costs now appear structurally stickier and productivity is allowing growth to remain more resilient than many expected. |
| **How Are We Thinking About Portfolio Construction?** | *A changing macro backdrop requires a different approach to asset allocation:*<br>• This is a cycle where investors are likely to be rewarded less for simply taking more risk and more for taking better risk through diversification, manager selection, and thoughtful asset allocation. As public market return dispersion narrows and traditional diversification weakens, many parts of Private Markets, especially returns linked to operational improvements, are becoming more important building blocks in portfolios.<br>• Against this backdrop, we are prioritizing assets with more controllable outcomes, focusing on collateral-backed cash flows in Infrastructure, Real Estate Credit, and Asset-Based Finance, which provide downside protection. Infrastructure and Real Estate also benefit from inflation-linked income streams that offer a hedge against inflation.<br>• We think Private Equity offers the highest return potential going forward, especially as Public Equities are facing pressure from less forgiving valuations, inflation volatility, and macro uncertainty. Value creation and exposure to key secular trends are more crucial than ever.<br>• We are focused on making our own luck, leaning into high-conviction themes and maintaining a disciplined, linear deployment of capital. Our emphasis centers on areas such as Capital Heavy to Capital Light, the Security of Everything, Productivity/Worker Retraining, Consumption Upgrades in Emerging Markets, and Intra-Asia Trade as an investing theme. |

# Heightened Geopolitical Tensions and Productivity-Driven Growth Are Raising Inflation Risk Premia

**Countries Are Using Economic Resources as Leverage to Achieve Political Goals: This Shows Up In Supply Chains Disruptions and Commodity Price Volatility**

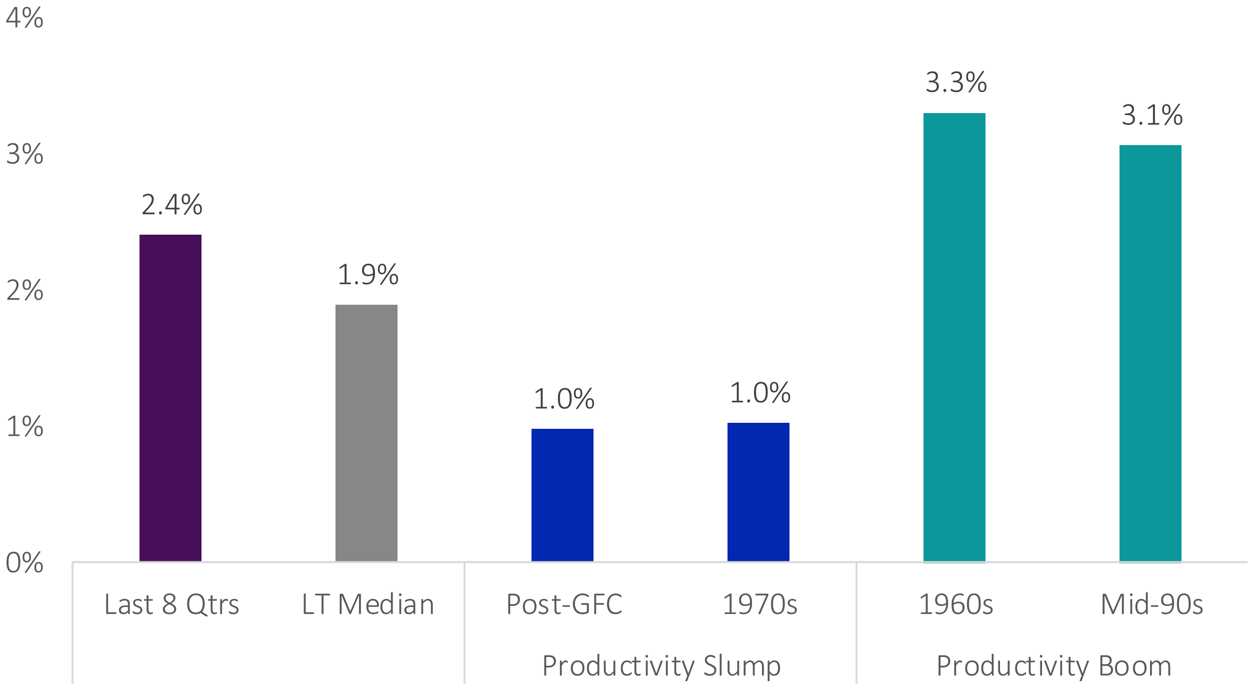
**Blurring of Lines Across Economics, Rule of Law, and National Security**




Data as at November 30, 2025. Source: KKR Global Macro & Asset Allocation analysis.

**Stronger Productivity Is the 'Secret Sauce' to Extending This Business Cycle, But Requires a lot of Capex**

**U.S. Labor Productivity (q/q %SAAR)**




1960s refers to 1959-68; 1990s-00s refers to 1995-05; 1970s refers to 1973-79; 2010s refer to 2010-19; 1980s refers to 1980-88.
Data as at March 5, 2026. Source: Bloomberg, Federal Reserve Bank of San Francisco.

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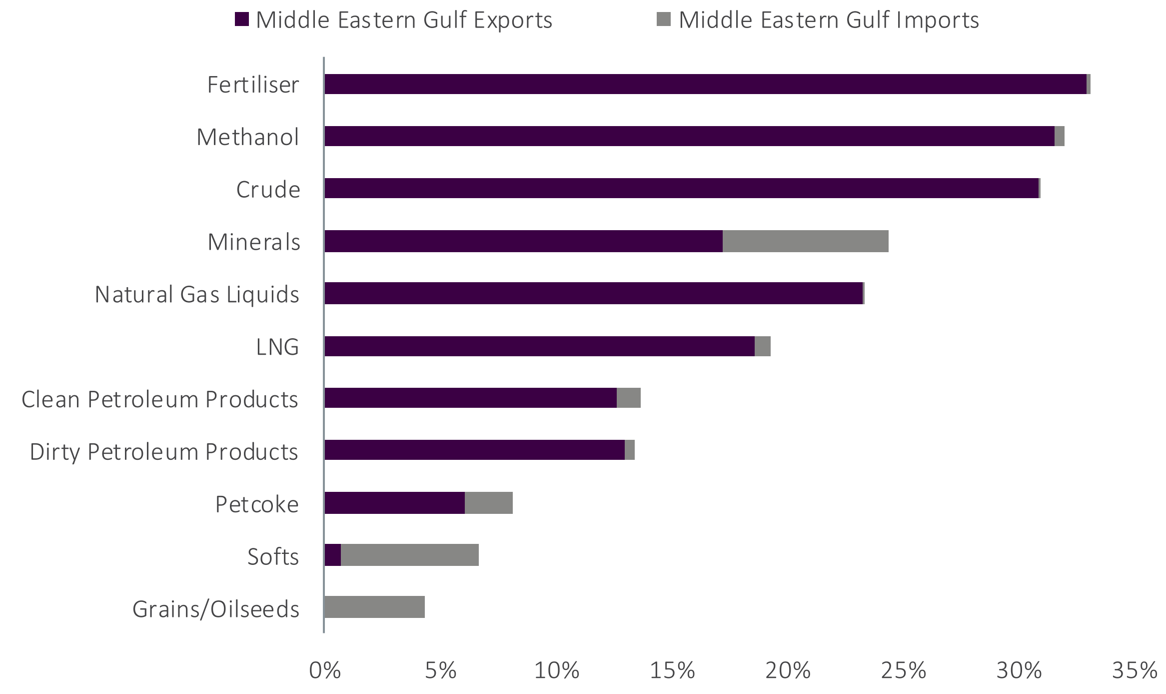
# Geopolitics Are Amplifying Supply Chain Stress and Creating Price Pressures Across Energy, Food, and Semiconductors

## The Strategic Importance of the Strait Of Hormuz Extends Beyond Oil

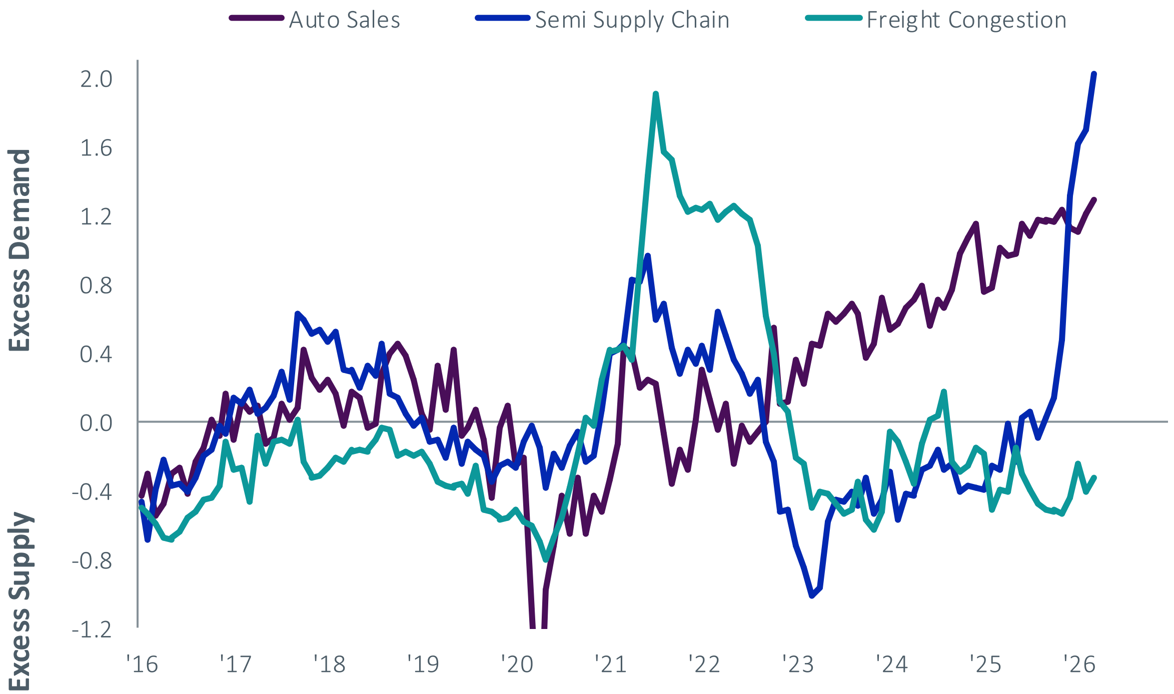
**Share of Global Seaborne Commodity Flows Transiting Through the Strait of Hormuz, % (2025)**




Data as of 2025. Source: Kpler.

## Semiconductor and Auto Supply Chains Were Already Becoming Tight Before the Iran Conflict

**Supply Chain Indicators**

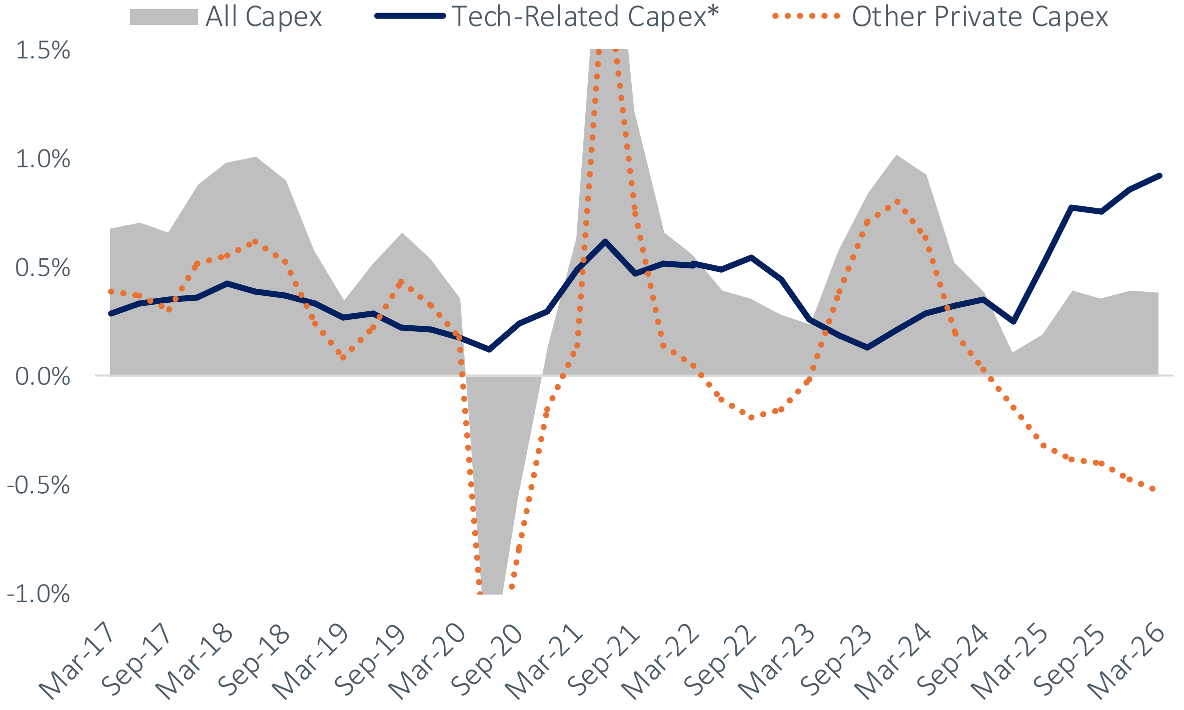



Data as at April 21, 2026. Source: Bloomberg, Haver, KKR Global Macro and Asset Allocation analysis.

# While Productivity Gains Are Limiting Recession Risk, AI Is Accelerating the Divide Between Scale Winners and the Rest

## Data Center Structure Investment Has Exploded. The Reverse Is True in the Rest of the Economy

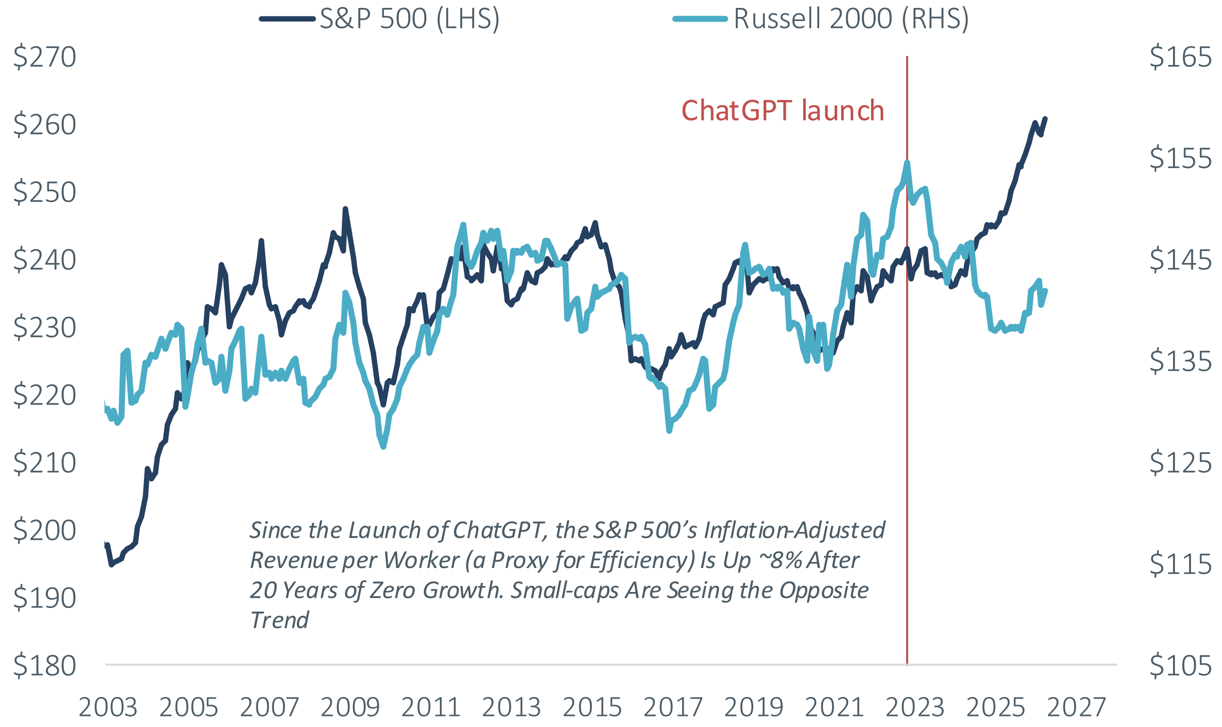
**Capex Contribution to U.S. GDP Growth (LTM, %pts)**




*Tech-related capex includes imported chips from Taiwan, etc. The true domestic tailwind would be closer to tech capex less the drag from surging net imports. Data as at May 28, 2026. Source: U.S. Bureau of Economic Analysis, Haver Analytics.

## Productivity Is Booming For Some, Not All

**U.S. Large-Cap vs. Small-Cap Efficiency Gains, Real Revenue Per Worker**

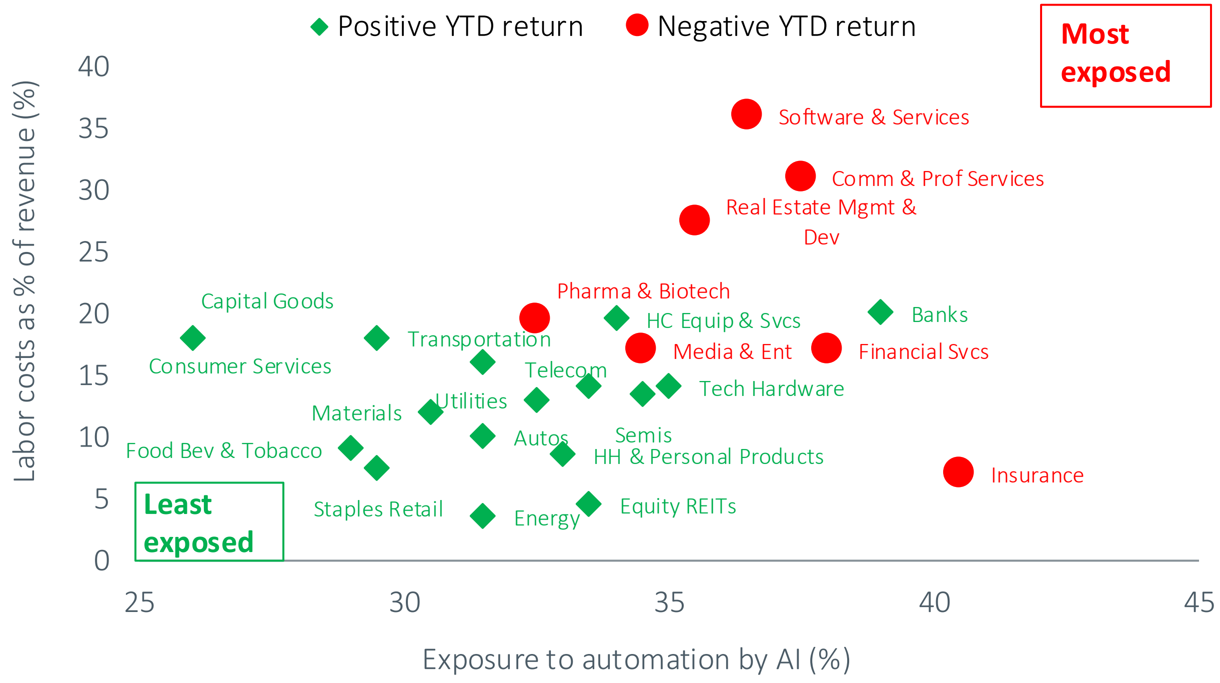



Data as at April 30, 2026. Source: Wells Fargo Securities, FactSet, KKR Global Macro & Asset Allocation analysis.

# AI Is Also Driving a Reassessment of Business Models

## AI Disruption Concerns Are Driving a Structural Reassessment of Margin Durability and a Rotation Toward "Real-World" Assets

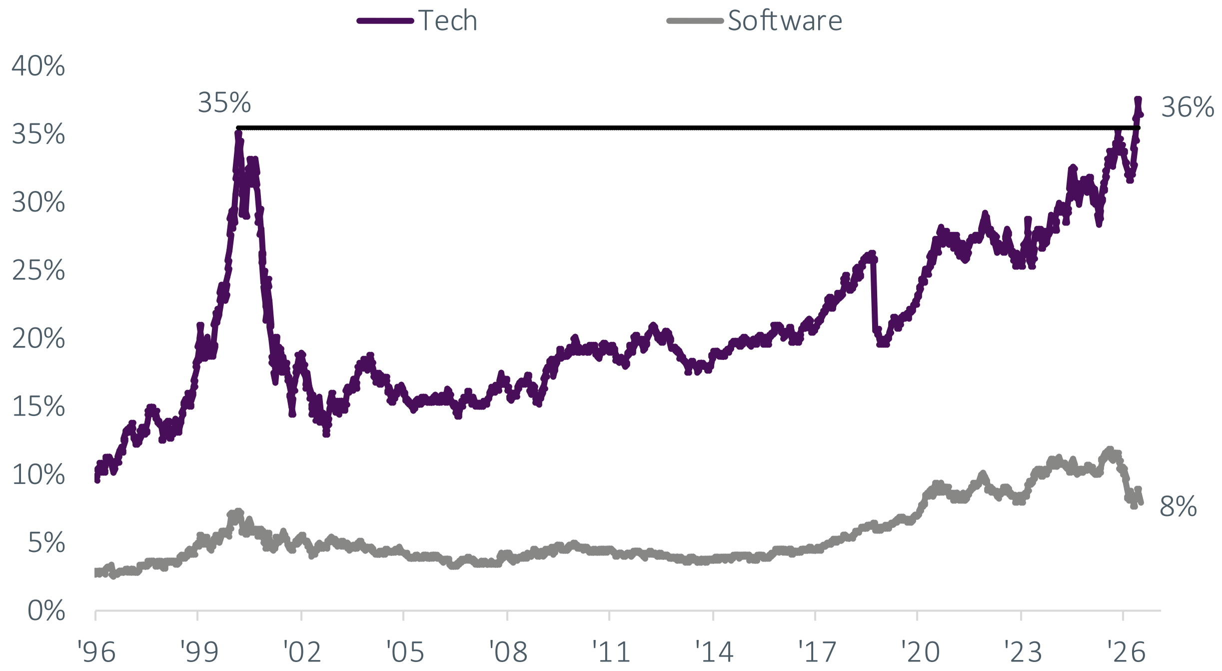
**Exposure to Automation by AI vs Labor Costs as % of Revenue (Russell 1000 Industry Median)**




Shows positive / negative returns vs. index. Exposure to AI automation comes from Revelio Labs, which measures the share of a role's work activities that can be performed or augmented by AI — derived by extracting tasks from online professional profiles, standardizing them via Revelio's activities taxonomy, and computing the share classified as AI-capable. Source: KKR Global Macro & Asset Allocation, Revelio, company filings, Goldman Sachs.

## Some Form of Capital Markets Rebalancing Is Likely Required

**Tech and Software as % of S&P 500 Market Cap**




Data as at June 12, 2026. Source: Bloomberg, KKR Global Macro & Asset Allocation.

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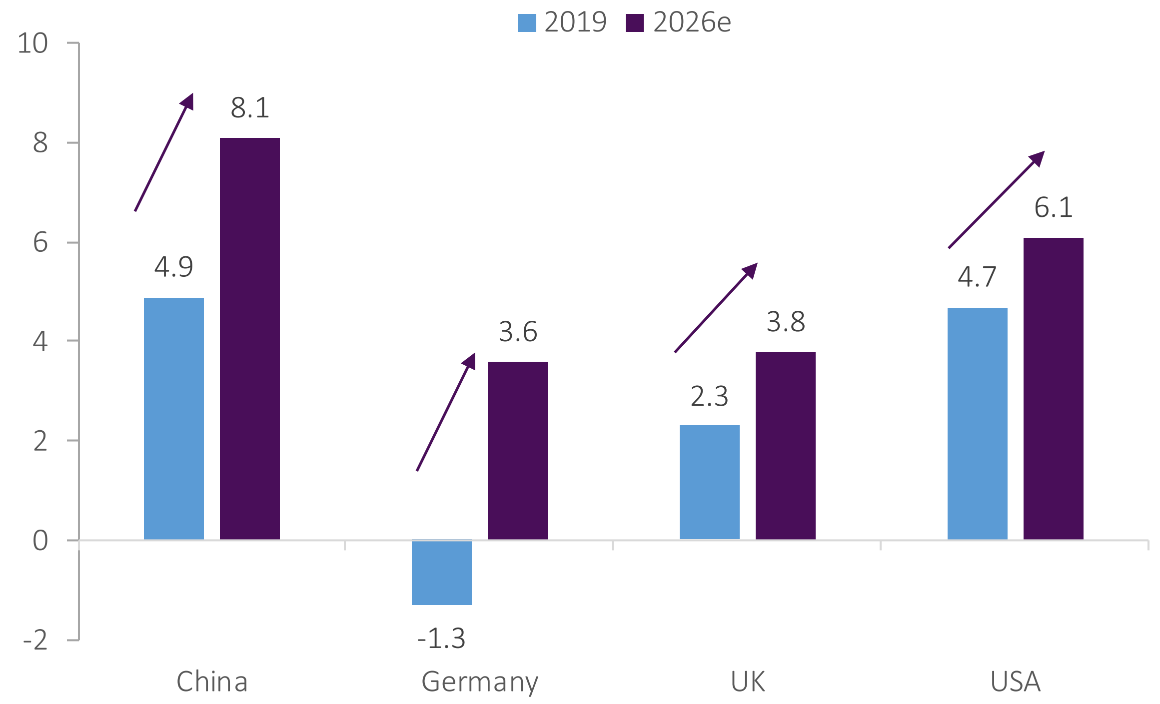
# At the Same Time, Governments Are Levering Up at Historic Speed, While Consumers and Corporates Are Deleveraging at a Record Pace

## Bigger Deficits Remain One of the Four Key Pillars of Our *Regime Change* Thesis

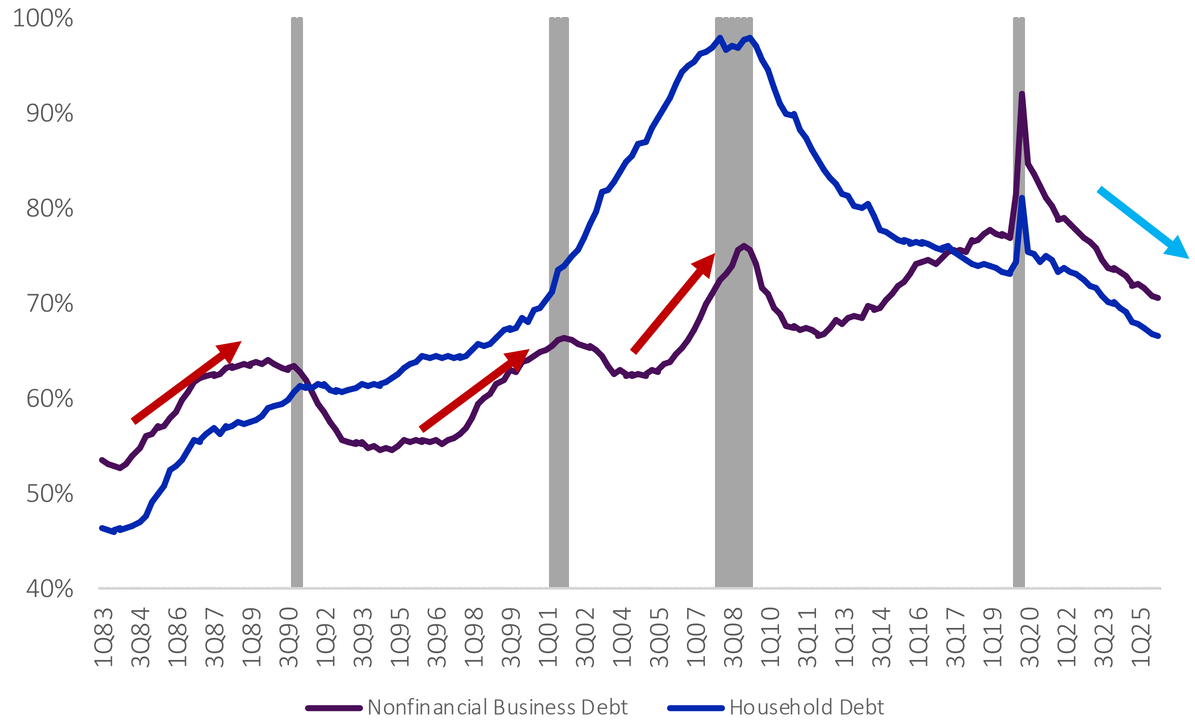
**Fiscal Deficits (% of GDP, Positive = Deficits)**




Data as at Mar 30, 2026. Source: Ministry of Finance of China, Bloomberg, KKR Global Macro & Asset Allocation analysis.

## Good News Is That Business and Consumer Leverage Levels Have Not Increased This Cycle, Which Helps Buffer Against an Outsized Default Cycle

U.S. Private Sector Leverage as a % of GDP

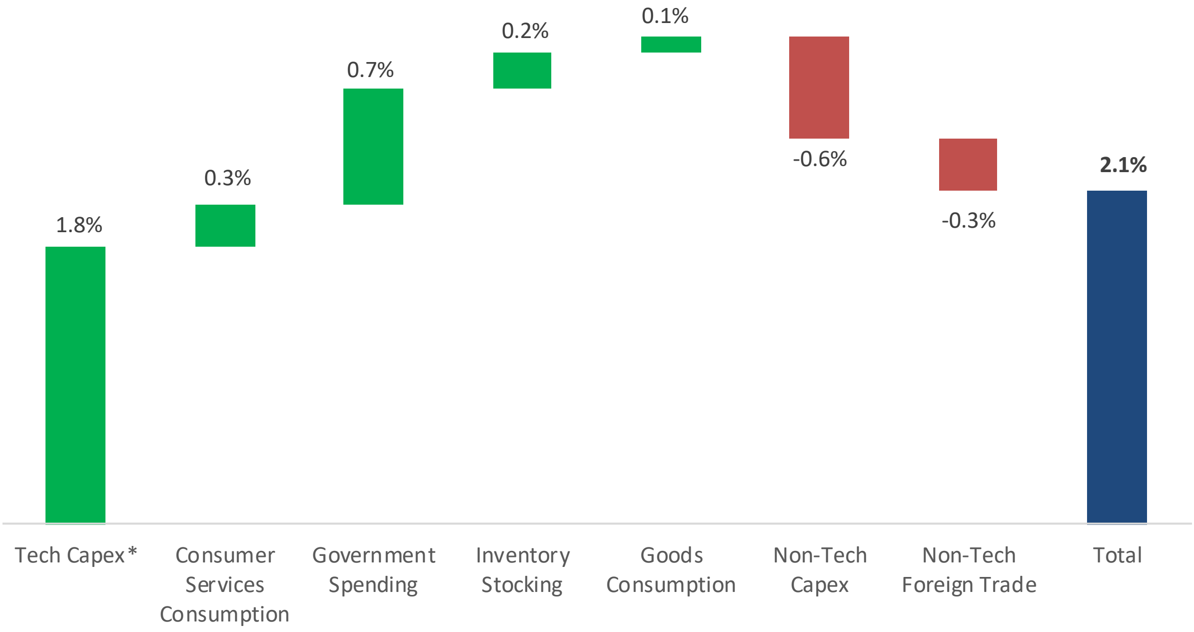



Gray shading denotes recessionary quarters. Data as at May 12, 2026. Source: U.S. Bureau of Economic Analysis, Haver Analytics, KKR Global Macro & Asset Allocation analysis.

# The Result Is Increasingly K-Shaped Outcomes Across Sectors and Asset Classes

## Tech Capex Accounted for Nearly 100% of GDP Growth in the First Quarter. By Comparison, the ‘Old Economy’ of Goods Capex and Trade Contracted

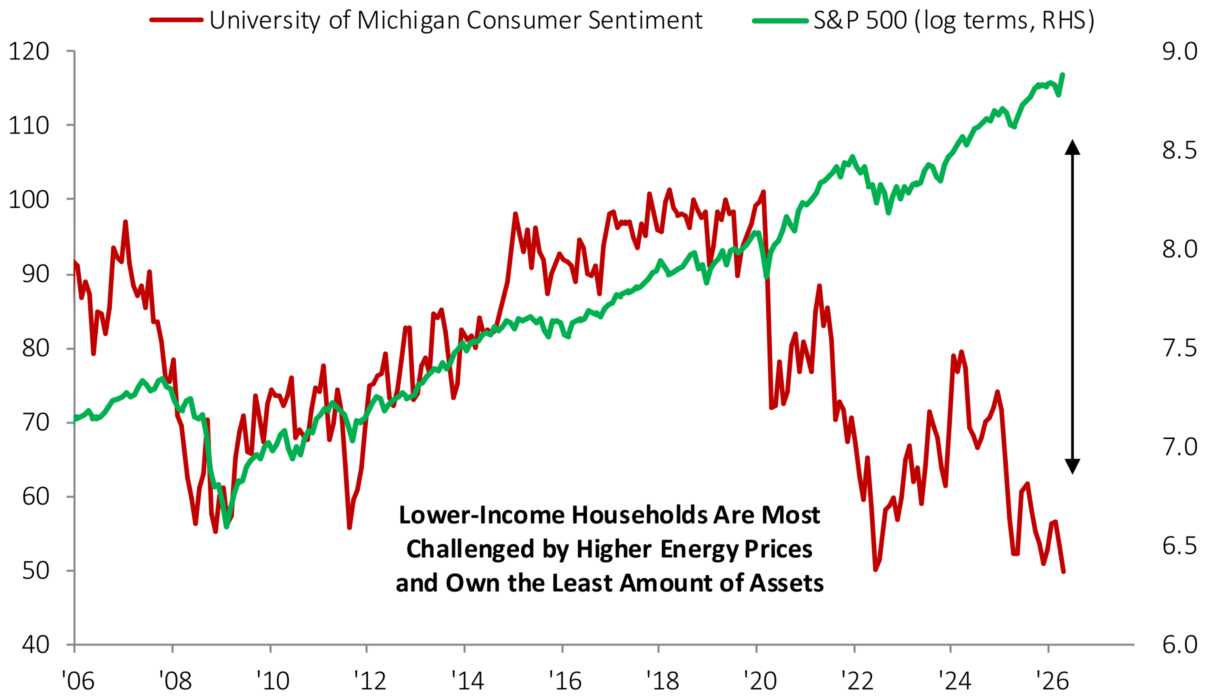
**Contributions to U.S. 1Q26 GDP (Q/Q SAAR, % Pts.)**




*Tech-related capex here includes Tech Equipment spending, Software IP spending, and Data Center Construction spending. Net imports of technology goods are deducted from technology capex. SAAR = seasonally adjusted annual rate. Data as at June 25, 2026. Source: U.S. Bureau of Economic Analysis, Haver Analytics.

## A Tale of Two Economies: The S&P 500 Is at Record Highs While Consumer Sentiment Is Near Record Lows

**Consumer Sentiment vs. Equity Market Returns**

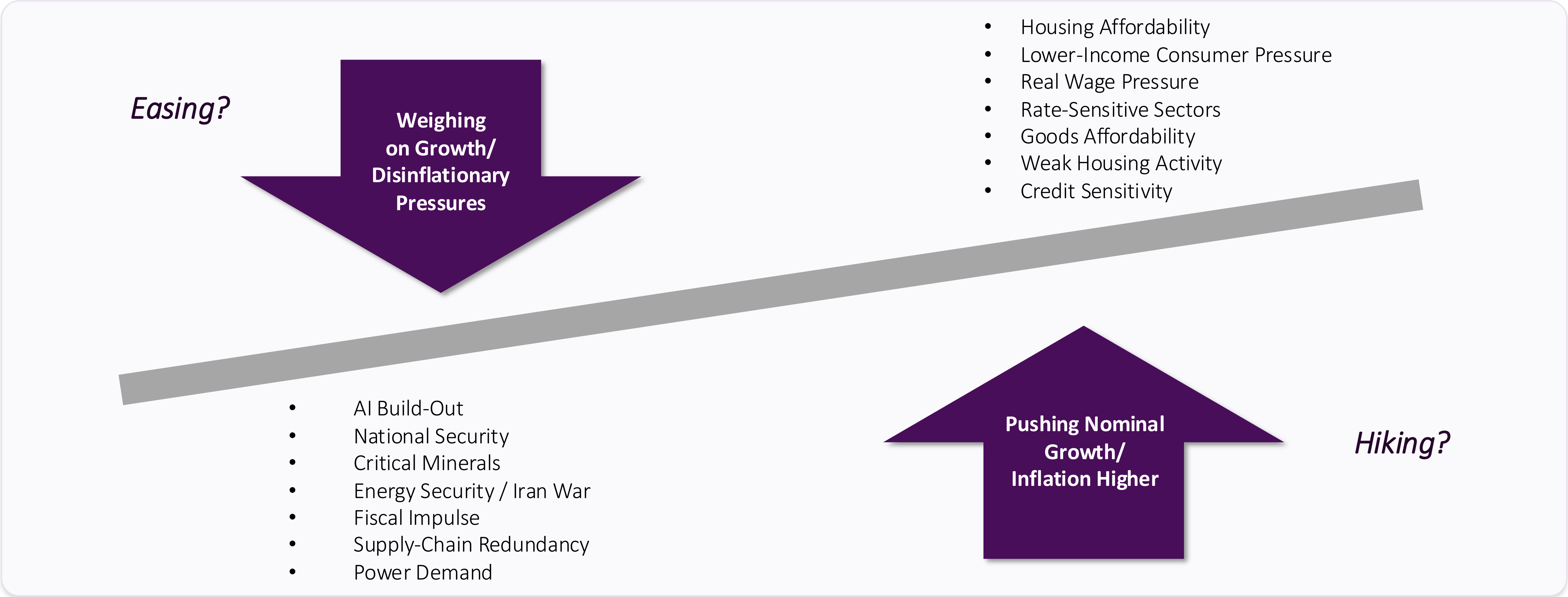



Data as at May 28, 2026. Source: University of Michigan Consumer Sentiment Survey, Bloomberg, KKR Global Macro & Asset Allocation analysis.

# These Bifurcations Are Creating a *Divergence Conundrum.* One Key Dilemma Is: Should Central Banks Raise or Lower Rates?

**Today's Divergences Are Poised to Become More Extreme as the Cycle Continues. What Will Central Banks Do?**

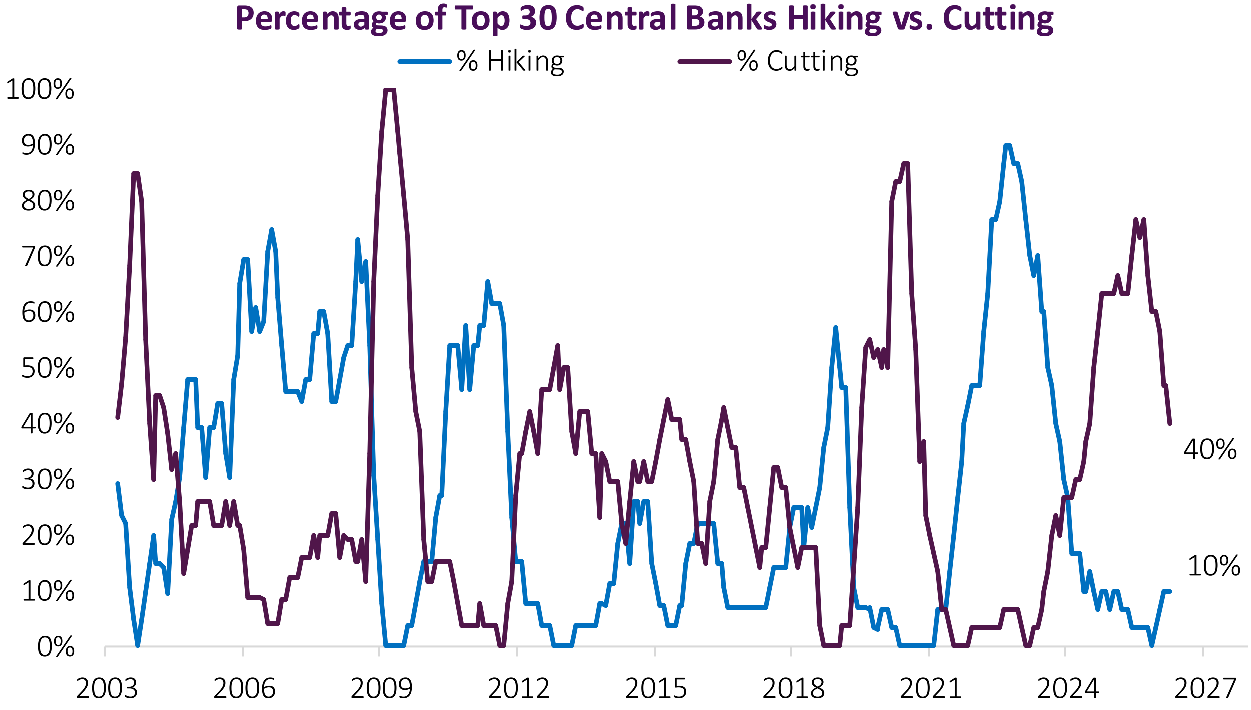
**The Divergence Conundrum**




Data as at May 28, 2026. Source: KKR Global Macro & Asset Allocation analysis.

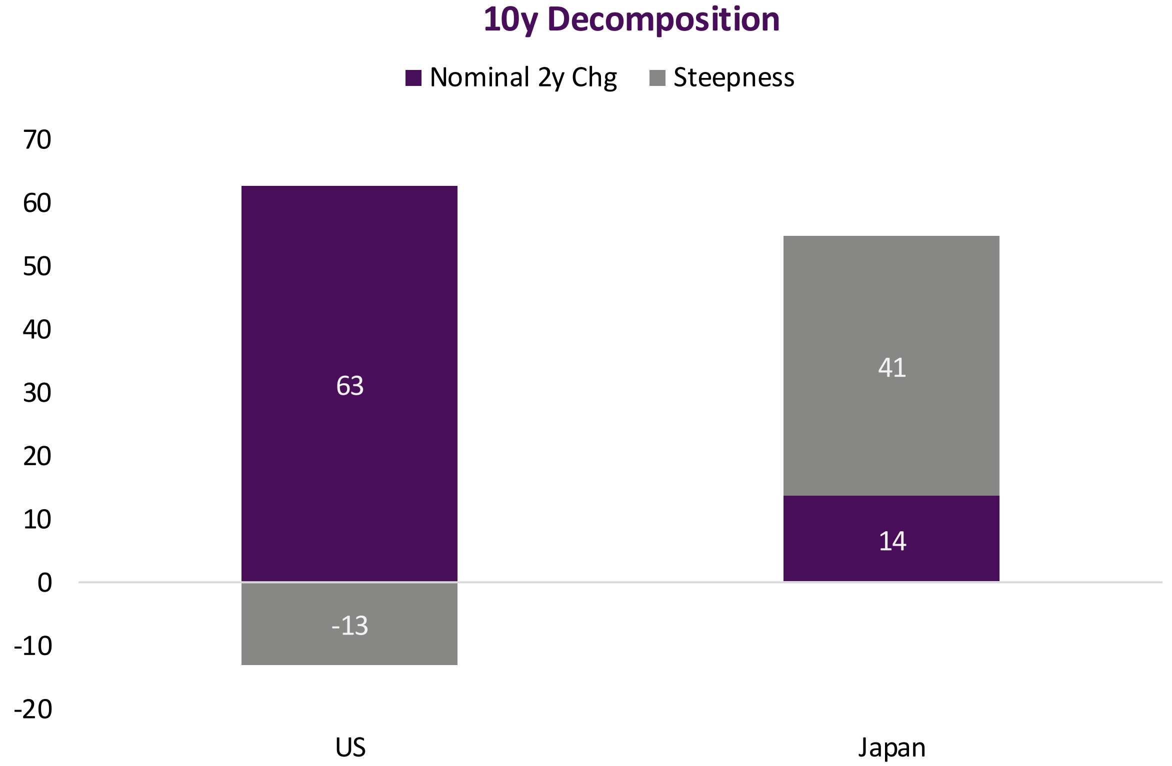
# As a Result, the Global Monetary Policy Impulse Is No Longer One of Synchronized Easing

## Financial Conditions Are Already Becoming Less Accommodating




Hiking/cutting rates defined as an increase in rates over the past three months. Data for Central banks include U.S., the EZ, the UK, Australia, Philippines, Chile, Japan, Brazil, Canada, Thailand, Mexico, Colombia, Malaysia, Norway, Sweden, Peru, China, Indonesia, New Zealand, Korea, South Africa, India, Switzerland, Taiwan, Poland, Israel, Hungary, Czech Republic, Vietnam and Russia. Data as at April 24, 2026. Source: Bloomberg, KKR Global Macro & Asset Allocation analysis.

## Outside of Japan, the Recent Rise in Global Yields Actually Has Been Driven Primarily by Higher Expected Policy Paths Rather Than Expanding Term Premium

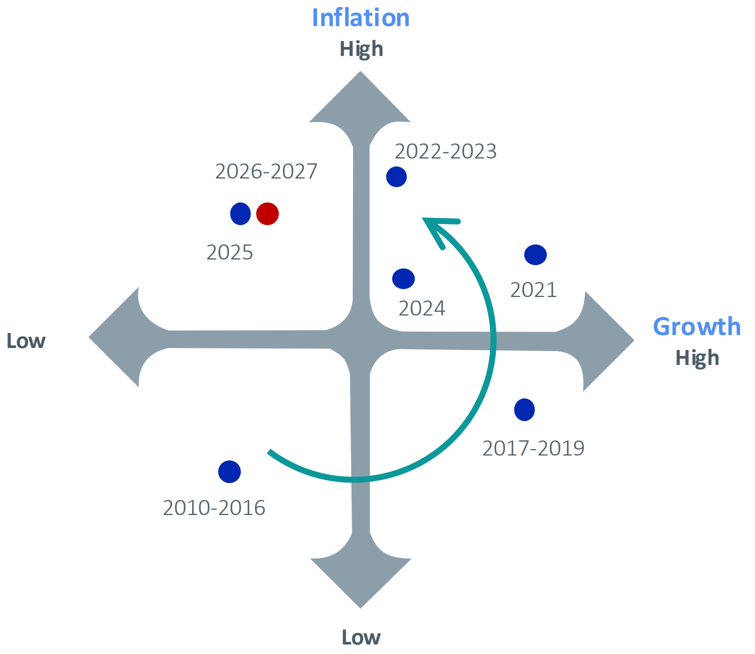



Data as at May 31, 2026. Source: Bloomberg, KKR Global Macro & Asset Allocation analysis

# Overall, We Continue to Believe a Macro '*Regime Change*' Is Underway, Requiring a Rethink of Asset Allocation

## Our '*Regime Change*' Thesis Is Characterized by Higher Volatility, Stickier Inflation, More Government Spending, and Some Capital Dislocation

**Low and High Growth and Inflation Regimes**

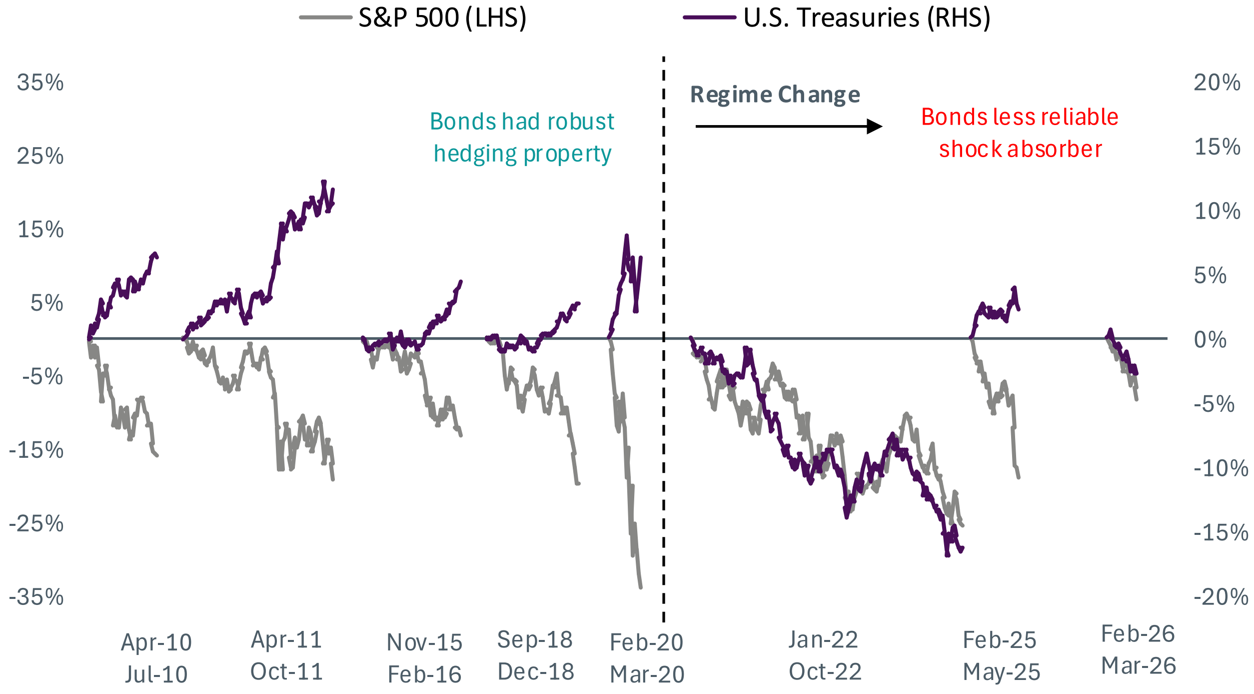



**Drivers of *Regime Change*:**
**Sticky Inflation, Persistent Fiscal Deficits, Heightened Geopolitics, Messy Energy Transition**

Data as at November 30, 2025. Source: KKR Global Macro & Asset Allocation analysis.

## Against this Backdrop, Bonds Have Become Less Reliable Shock Absorbers During Equity Drawdowns

**UST Performance During Prior S&P 500 Corrections**




Data as at March 27, 2026. Source: Bloomberg, Haver, KKR Global Macro & Asset Allocation analysis. Past performance is no guarantee of future results.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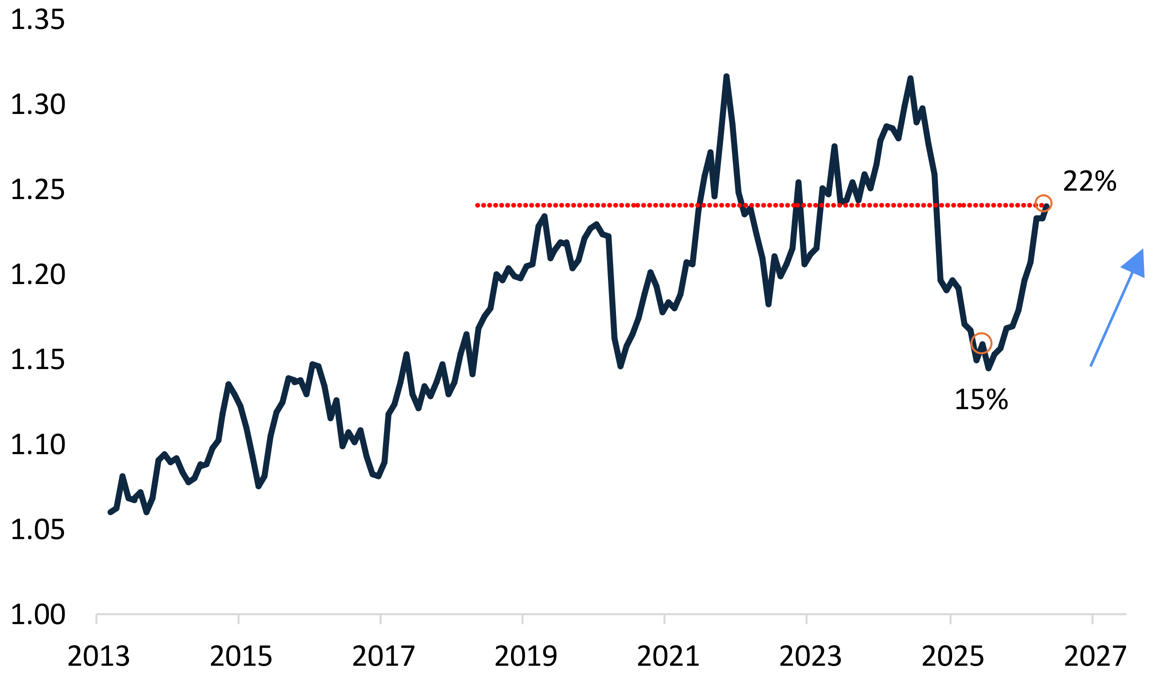
# Asset Allocation:
# *Regime Change* and *Divergences* May Require Portfolio Shifts

# Against this Backdrop, We Still Argue For 'High Grading', or Creating a Higher-Quality Portfolio at Minimal Additional Cost

## On the Equity Side, the Premium for Moving Into High Quality Was As Low As 15%, But Back Up to ~22% Today

**Relative Valuations: NTM P/E**
(MSCI AC World Quality* Index vs MSCI AC World)




Quality defined as stocks with high ROE, stable earnings, and low leverage. Data as of May 26, 2026. Source: Bloomberg, MSCI, KKR Global Macro & Asset Allocation analysis.

## Relative Credit Spreads Are as Compressed as They Were in 2021. As Such, the Cost to 'High Grade' Is Quite Low

**Relative Valuations: U.S. Credit Spreads**
**(BBB - AAA Corporates)**


Data as of April 31, 2026. Source: Bloomberg, KKR Global Macro & Asset Allocation analysis.

# Deploying Capital Steadily and Increasing Diversification Through More Control Positions Can Help Boost Returns In This Environment

## Trying to Time the Market Can Lead to Missing Out On the Best Days. The Best Periods Typically Follow the Worst Periods

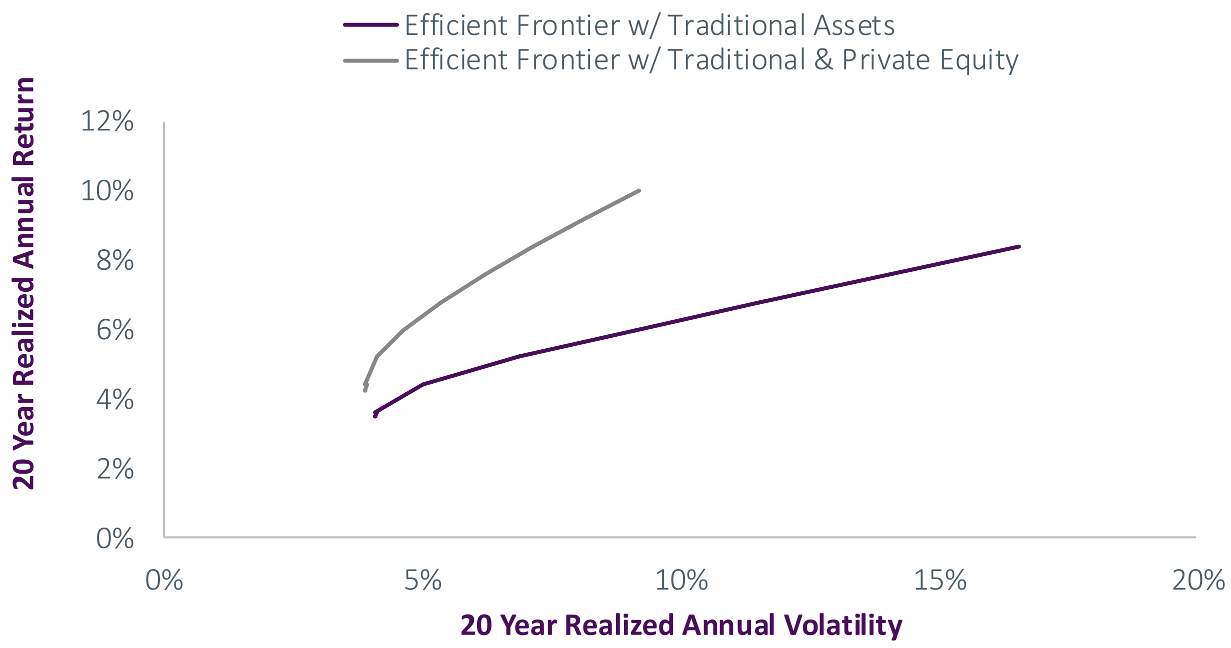
| Decade | S&P 500: Price Return by Decade (%) | Excluding Best 10 Days per Decade (%) |
|---|---|---|
| 1930 | -42 | -79 |
| 1940 | 35 | -14 |
| 1950 | 257 | 167 |
| 1960 | 54 | 14 |
| 1970 | 17 | -20 |
| 1980 | 227 | 108 |
| 1990 | 316 | 186 |
| 2000 | -24 | -62 |
| 2010 | 190 | 95 |
| 2020 | 57 | -13 |
| **Since 1930** | **23,555%** | **67%** |

S&P 500 returns leading up to the best 10 days in each decade were deeply negative (-11% in the prior 3 months on average)

Data as at April 7, 2025. Source: BofA Quantitative Research. Past performance is no guarantee of future results. Indexes are unmanaged. It is not possible to invest directly in an index. For Financial Advisor Use Only.

## Diversifying into Alternatives, Like Private Equity, Can Help Investors Build All-Weather, Resilient Portfolios Amid Heightened Uncertainty

**Realized Annual Returns and Volatility Comparison with Traditional Assets and Private Equity, %**




Returns and correlations are calculated with quarterly returns between 2005 and 2024. Volatilities are calculated with annual calendar year returns between 2005 and 2024. Traditional Assets include Public Fixed Income (Bloomberg Global-Aggregate Total Return Index Value Hedged USD) and Public Equities (MSCI World Index). Private Equity is modeled using Cambridge Global Buyout Index. Data as at As of December 2024. Source: Bloomberg, MSCI, Cambridge. KKR Global Macro & Asset Allocation analysis. For Financial Advisor Use Only.

# We Are Making Our Own Luck by Leaning Into High-Conviction Themes and Rethinking Portfolio Construction

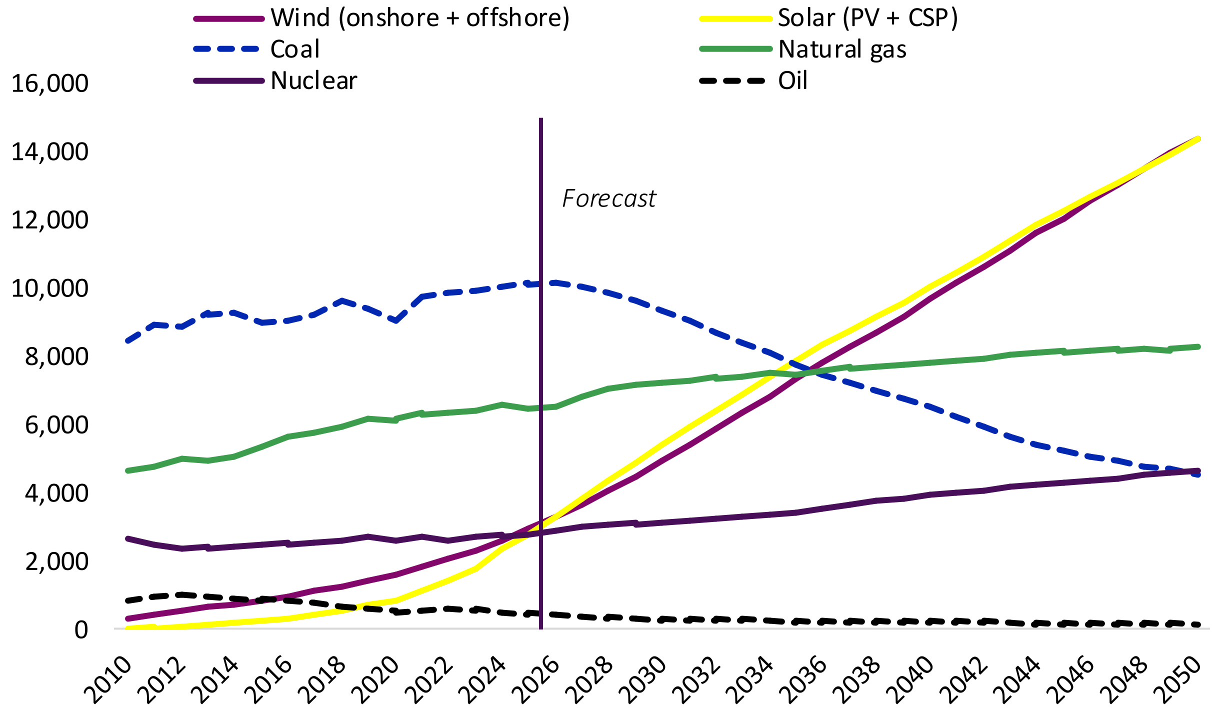
## Our Investment Themes Are Powerful Allies to Those Who Have Patient Capital and Are Looking for Differentiated Returns

| KKR Theme | Description | Asset Class Beneficiaries |
|---|---|---|
| **Security of Everything** | • National security considerations around AI infrastructure, energy, and critical minerals continue to gain prominence.<br>• Beyond traditional military concerns, security is also being viewed through a broader lens covering supply chains for data, transportation, payments, communications, and healthcare. | • Private Equity<br>• Infrastructure<br>• Real Estate<br>• Impact |
| **Power and Energy Infrastructure** | • AI infrastructure, electrification, reshoring, and defense readiness are all increasing the need for reliable power, just as the supply side is constrained by permitting.<br>• The magnitude and persistence of demand growth suggest that an 'all-hands-on- deck' approach will be required across generation, transmission, distribution, storage, and the enabling infrastructure that supports the grid. | • Infrastructure<br>• Real Estate<br>• Impact<br>• Private Credit |
| **Worker Retraining/Productivity** | • We think corporations will increasingly focus on technology driven productivity gains to offset labor concerns around aging demographics and immigration headwinds.<br>• Skills training and vocational programs will become even more important as countries look to reshore supply chains. | • Impact<br>• Private Equity |
| **Collateral-Based Cash Flows** | • Investment in hard assets that rise in value with consumer prices, have floating rate coupons, or long-term price escalators/contracted revenues help offset 'higher for longer' inflation concerns.<br>• These structures can provide downside protection and more predictable revenue streams. | • Infrastructure<br>• Asset-Based Finance<br>• Real Estate |
| **Models Transitioning to Capital Light** | • Globally, corporates are looking to improve return on capital and valuations by shedding non-strategic subsidiaries.<br>• There is also a large opportunity for credit providers around consumer finance, residential mortgages, equipment leases, and renewables. | • Private Equity<br>• Infrastructure<br>• Asset-Based Finance<br>• Insurance |
| **Intra-Asia Connectivity** | • As supply chains decouple from the West, trade is becoming increasingly localized within Asia.<br>• We think Infrastructure and Credit—both liquid and private—offer compelling ways to capitalize on this regional shift. | • Infrastructure<br>• Public Credit<br>• Private Credit |
| **Consumption Upgrades in Emerging Markets** | • Southeast Asia is entering a major consumption upswing, driven by rising incomes, supportive domestic policies, and increasing foreign direct investment. This momentum is reinforced by multinationals diversifying supply chains.<br>• This creates opportunities ranging from financial inclusion and digital enablement to retail/e-commerce, as well as increased demand in healthcare and education. | • Private Equity<br>• Infrastructure<br>• Real Estate |

# We Are Especially Bullish on the 'Security of Everything' Theme As Security Around AI and Critical Minerals Gains Importance

**Considering the AI Race, Energy Is Now a National Security Matter. We Think All Forms of Global Power Will Be Needed Over the Near to Medium Term**

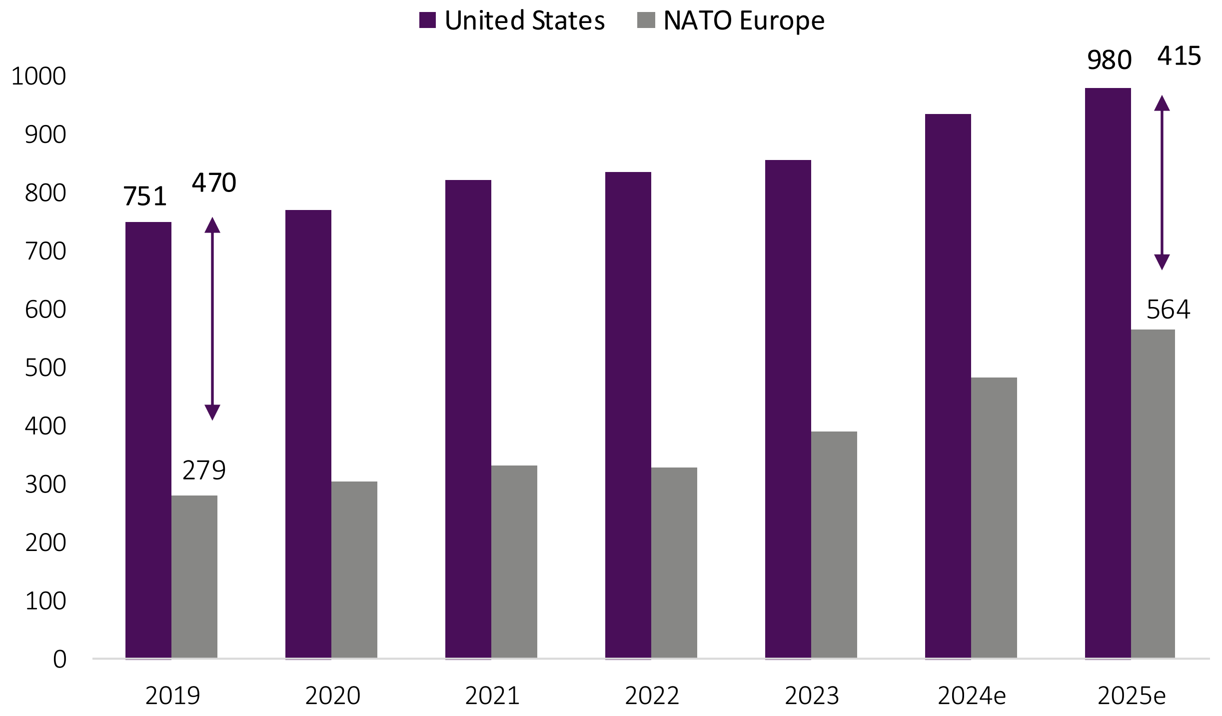
**Global Power Penetration by Energy Source (Terawatt Hours)**




Traditional fossil fuels represented by dotted lines. Data as at April 30, 2025. Source: S&P Global Commodity Insights.

**Uncertainty in the Current Global Security Environment and Heightened Threats Have Prompted Major Investment in Defense Spending**

**Defense Spending, Europe vs. U.S., US$ Billions**




Data as at December 31, 2024. Source: NATO, KKR Global Macro & Asset Allocation analysis.

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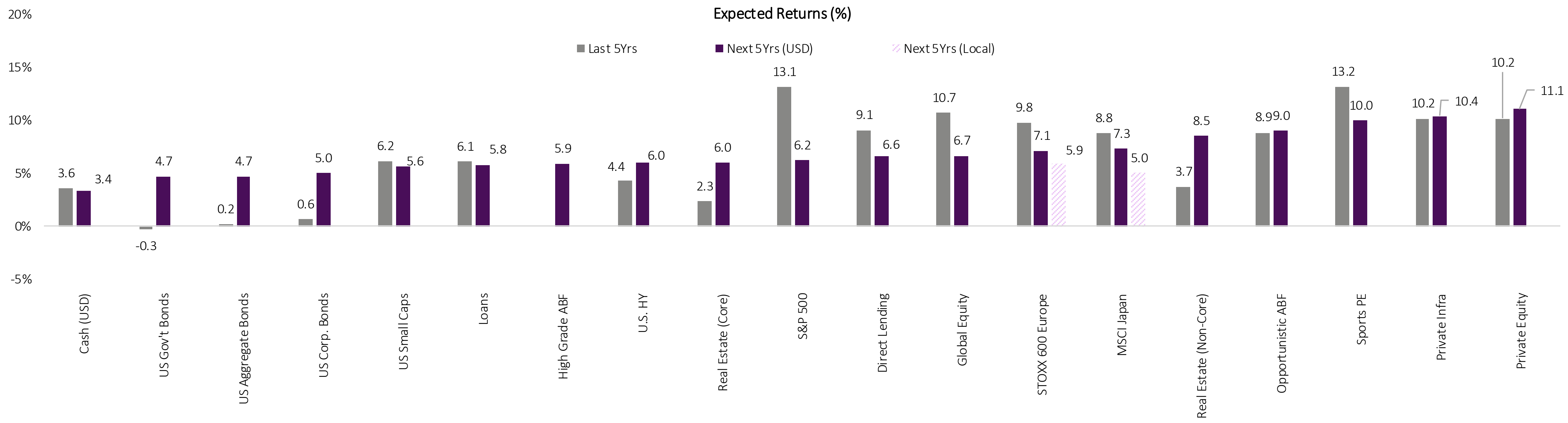
# Upfront Yield, Non-Correlation, and Operational Alpha Will Drive Performance in the Narrower Return Environment That We Foresee Over the Next Five Years

- In this environment, the dispersion of expected returns will narrow. This flatter efficient frontier (e.g., flatter returns) drives the greater need to incorporate asset classes that enhance portfolio diversification. Our expected returns forecast embeds a higher neutral rate, credit normalization, a weaker USD, and ongoing value in the illiquidity premium.
- Over the past decade, 60/40 portfolios delivered about 8% annually, but achieving similar returns ahead will likely require a greater allocation to Alternatives. With rich public valuations and a macro environment defined by higher inflation, fiscal deficits, and geopolitical tensions, the premium on quality has risen. In this context, Private Markets are becoming increasingly important for return generation, diversification, and inflation resilience.

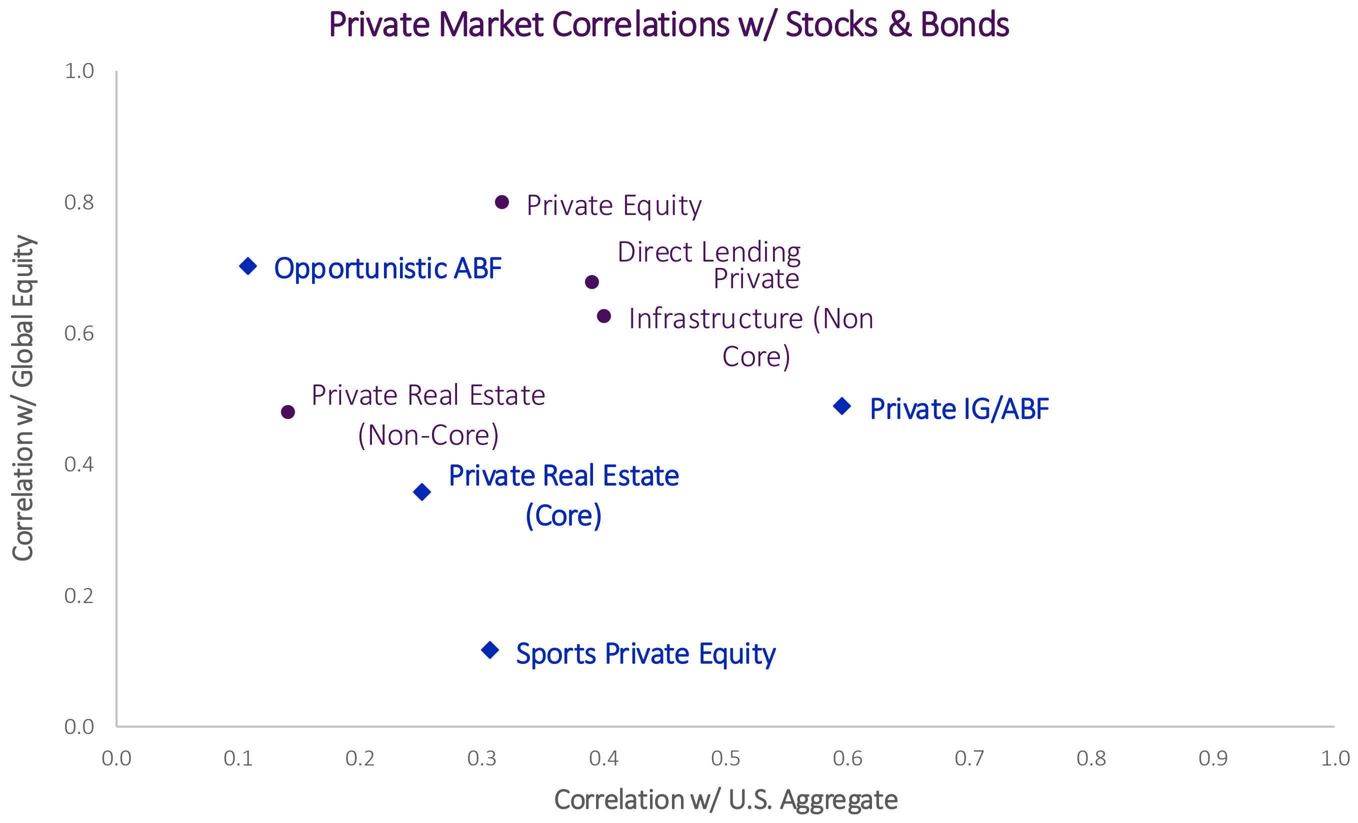
## Private Equity, Real Assets, and Private Credit Stand Out as Some of The Most Attractive Sources of Return Over the Next Five Years




Last 5 Year return from April 30, 2021 to April 30, 2026 for consistency across asset classes (Private markets as Q4 '25). Note: Capital markets assumptions are average across all quartiles annualized total returns. Forecasts represent five-year annualized total return expectations. For private asset classes (Private Credit, Private Infra, Private Real Estate, and Private Equity), returns are representative of the median manager return net of Fee/Carry. Source: Bloomberg, BofA, Burgiss, Cambridge, KKR Global Macro & Asset Allocation analysis. Compound Annual Growth Rate (CAGR) measures an investment's growth rate, assuming profits are reinvested at the end of each period. Private Real Estate modeled using the Cambridge Associates Real Estate Index. Private Infrastructure modeled using the Cambridge Associates Infrastructure Index. Private Equity modeled using the Cambridge Associates Private Equity Index. Private Credit modeled using the Cliffwater Direct Lending Index. No representation is made that the trends depicted or described above will continue. Target returns are hypothetical in nature and are shown for illustrative, informational purposes only Past performance does not guarantee future results. Indexes are unmanaged. It is not possible to invest directly in an index. Model returns are hypothetical in nature and are shown for illustrative, informational purposes only. **Past performance does not guarantee future results**. For Financial Advisor Use Only.

# In a World of Narrower Return Expectations, Private Markets Can Deliver Both Attractive Returns and Low Correlation to Traditional Assets

**Private Markets Assets Are Diversifying Exposures That Can Help Investors Reduce Reliance On the Public Equity and Fixed Income Allocations That Still Dominate Many Portfolios**



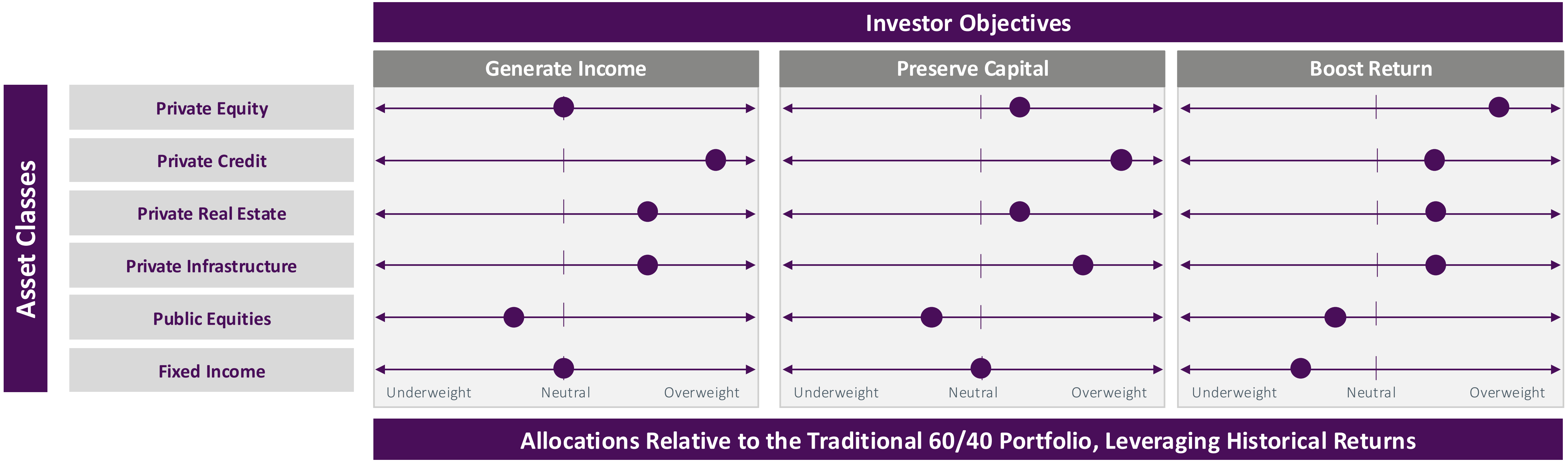

***Recently Launched KKR Capital Market Assumptions:***

| Asset Class | Description |
|---|---|
| Sport Private Equity | Ownership interests in professional sports teams that provide access to non-correlated revenue streams, including league revenue such as media rights, and local revenue such as ticket sales, merchandise, and sponsorships. |
| Private Investment Grade/Asset Based Finance (ABF) | Investment grade, secured lending backed by recurring, often contractual cash flows from diversified pools of assets, including hard assets, receivables, royalties, consumer or residential loans, leases, and inventory. Downside risk is typically mitigated by collateral coverage and subordinated tranches below the investment grade tranche, with transactions privately originated and negotiated. This represents the majority of the broader Private Investment Grade universe, which also includes corporate and infrastructure-related exposures. |
| Opportunistic Asset-Based Finance (ABF) | Equity and non-investment grade tranches of asset-based finance deals, with exposures in sectors similar to those for Private IG/ABF. These portfolios typically contain a mix of financial assets and hard assets, which can provide inflation sensitivity. Collateral helps protect principal and may appreciate with inflation. |

Data as of 4Q2025.Source: Burgiss, Cambridge Associates, NCREIF, Bloomberg, MSCI, JPM, University of Michigan Ross School of Business, KKR Global Macro & Asset Allocation analysis. Model returns are hypothetical in nature and are shown for illustrative, informational purposes only. Correlation measures the degree to which two variables move together. The strength of this relationship varies from a level of 1.0, which indicates a perfect relationship, to -1.0, which indicates a perfectly opposite relationship. A correlation above 0.75 would be considered a strong relationship, and a correlation of 0 would indicate no relationship at all. It is important to remember that correlation does not necessarily describe a causal relationship Past performance does not guarantee future results. For Financial Advisor Use Only.

# Investors Should Consider Adjusting Asset Class Exposure to Align With Their Portfolio Objectives

- The incorporation of investor preferences is an integral step in the strategic asset allocation process.
- To incorporate Alternatives into an existing traditional 60/40 portfolio, it is important to thoughtfully reduce allocations to equities and fixed income in a manner consistent with portfolio objectives, while considering asset class performance, volatility, and correlations between asset classes. For example, an investor wanting to 'Boost Return' should consider reducing fixed income more than equities when incorporating Alternatives.




Allocation tilts shown are relative to an existing 60/40 Portfolio consisting of 60% Public Equities and 40% Fixed Income. Portfolio returns and volatility modeled using annual total returns from 1971 to 2024 for the S&P 500, from 1998 to 2024 for Private Real Estate, from 2005 to 2024 for Private Infrastructure, from 1974 to 2024 for Bonds, from 1999 to 2024 for Private Equity, and from 2006 to 2024 for Private Credit. Assumes continuous rebalancing of the portfolios. U.S. equities modeled using the S&P 500 Index. Bonds modeled using a mix of 50% U.S. T-Bonds and 50% Investment Grade Corp. Private Real Estate modeled using the NCREIF Property Levered Index. Private Infrastructure modeled using the Burgiss Infrastructure Index. Private Equity modeled using the Burgiss North America Buyout Index. Private Credit modeled using the Burgiss Private Credit All Index. Cash yields modeled using annual data from 1990 to 2024 for Public Equity, Bonds, and Infrastructure, from 1995 to 2024 for Real Estate, from 2005 to 2024 for Private Credit. Public Equity using S&P 500 12M gross dividend yield, Private Equity proxied using S&P Small Cap 12M gross dividend yield, Private Infrastructure proxied using S&P Infrastructure 12M gross dividend yield from 2006 onwards and 1990-2006 back filled using S&P Utilities, Public Credit based on Bloomberg US Agg Credit income return, Private Credit using adjusted Cliffwater Direct Lending Index Income Return, Private Real Estate based on NCREIF NPI cap rate. Source: Burgiss, Bloomberg, NCREIF, KKR Global Macro & Asset Allocation analysis. Model returns are hypothetical in nature and are shown for illustrative, informational purposes only. Past performance does not guarantee future results. For Financial Advisor Use Only.

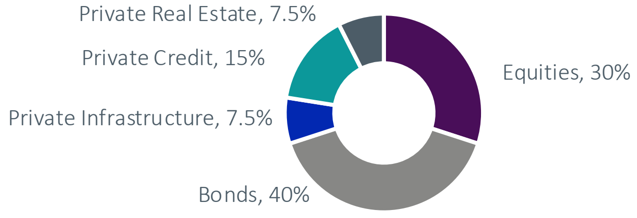
# Alternative Asset Classes Have Historically Helped Investors Generate Income, Preserve Capital, and/or Boost Returns

- Today, many portfolios still resemble the traditional 60/40 framework, but investors are increasingly turning to Alternatives to enhance portfolios and better achieve their objectives.
- Applying optimization techniques to historical asset class returns, volatilities, and cross-correlations, we back-tested the outcomes and found that the incorporation of Alternatives, aligned with investor preferences, has historically improved the relevant objective. Our model portfolios are intended as illustrative starting points rather than prescriptive solutions and should be tailored to align with each client's individual objectives and risk profile. We recommend that advisors recalibrate allocations as new data becomes available and market conditions evolve. Accordingly, the framework is designed to be dynamic.

## KKR Alts Enhanced Framework For Wealth

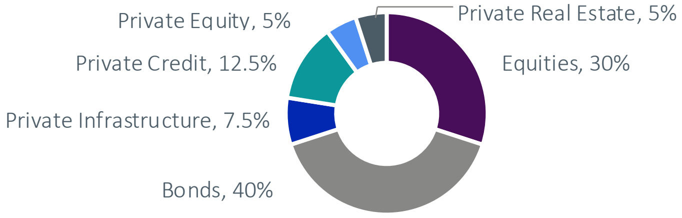
**OBJECTIVE:**
Increase income potential of portfolio while maintaining liquidity

**Alts Enhanced – Generate Income**



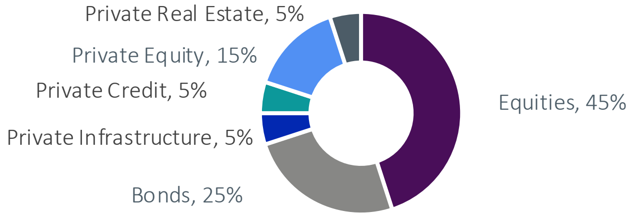

**OBJECTIVE:**
Receive loss protection and inflation hedging benefits

**Alts Enhanced – Preserve Capital**




**OBJECTIVE:**
Boost the return potential of the portfolio

**Alts Enhanced – Boost Return**




### Historical Performance vs 60/40:

| | Income +1.4% / Liquidity ▼ | Volatility -3.1% / Liquidity ▼ | Return +0.5% / Liquidity ▼ |
|---|---|---|---|
| Traditional | • Reallocate from the Public Equity tranche to more yield, inflation protection and diversification in Alternatives. Maintain substantial Bond allocation | • Reduce portfolio volatility by tilting some Public Equities exposure to Alts. Maintain substantial Bond allocation given downside protection | • Increase the return potential of the portfolio by tilting Bond allocation towards Equities |
| Alts | • Increase Private Credit allocation given predictable and high streams of cash flow, followed by Infra & Private Real Estate (yield may emanate from RE Credit vs Equity) for both additional yield and diversification | • Increase allocation to Private Credit given potential for downside protection followed by Private Infrastructure, which benefits from lower volatility and inflation-hedging attributes | • Overweight Private Equity to boost total return, followed by Real Assets |

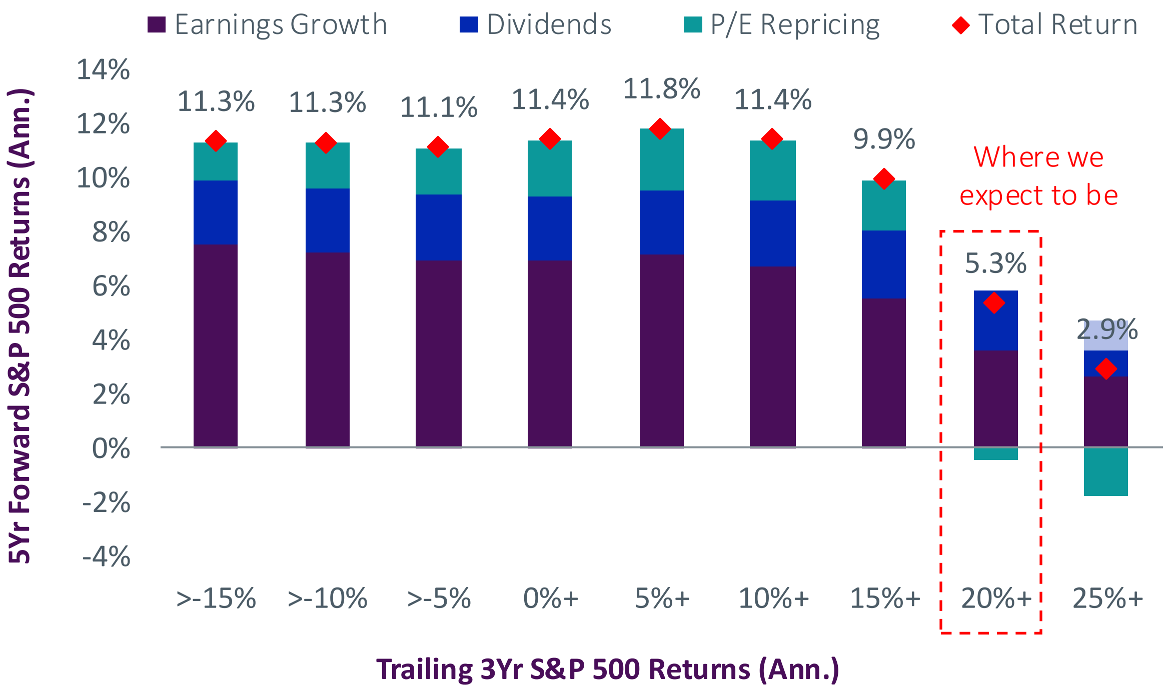
Portfolio returns and volatility modeled using annual total returns from 1971 to 2024 for the S&P 500, from 1998 to 2024 for Private Real Estate, from 2005 to 2024 for Private Infrastructure, from 1974 to 2024 for Bonds, from 1999 to 2024 for Private Equity, and from 2006 to 2024 for Private Credit. Assumes continuous rebalancing of the portfolios. U.S. equities modeled using the S&P 500 Index. Bonds modeled using a mix of 50% U.S. T-Bonds and 50% Investment Grade Corp. Private Real Estate modeled using the NCREIF Property Levered Index. Private Infrastructure modeled using the Burgiss Infrastructure Index. Private Equity modeled using the Burgiss North America Buyout Index. Private Credit modeled using the Burgiss Private Credit All Index. Cash yields modeled using annual data from 1990 to 2024 for Public Equity, Bonds, and Infrastructure, from 1995 to 2024 for Real Estate, from 2005 to 2024 for Private Credit. Public Equity using S&P 500 12M gross dividend yield, Private Equity proxied using S&P Small Cap 12M gross dividend yield, Private Infrastructure proxied using S&P Infrastructure 12M gross dividend yield from 2006 onwards and 1990-2006 back filled using S&P Utilities, Public Credit based on Bloomberg US Agg Credit income return, Private Credit using adjusted Cliffwater Direct Lending Index Income Return, Private Real Estate based on NCREIF NPI cap rate. Source: Burgiss, Bloomberg, NCREIF, KKR Global Macro & Asset Allocation analysis. No specific KKR products referenced. Model returns are hypothetical in nature and are shown for illustrative, informational purposes only. **Past performance does not guarantee future results.** For Financial Advisor Use Only.

# The Case for Private Markets

# The Value of the Illiquidity Premium in Private Equity Often Increases When Public Equity Returns Are Less Robust

## Private Equity Tends to Outperform in Lower-Return Public Equity Markets, Supporting a Stronger Illiquidity Premium

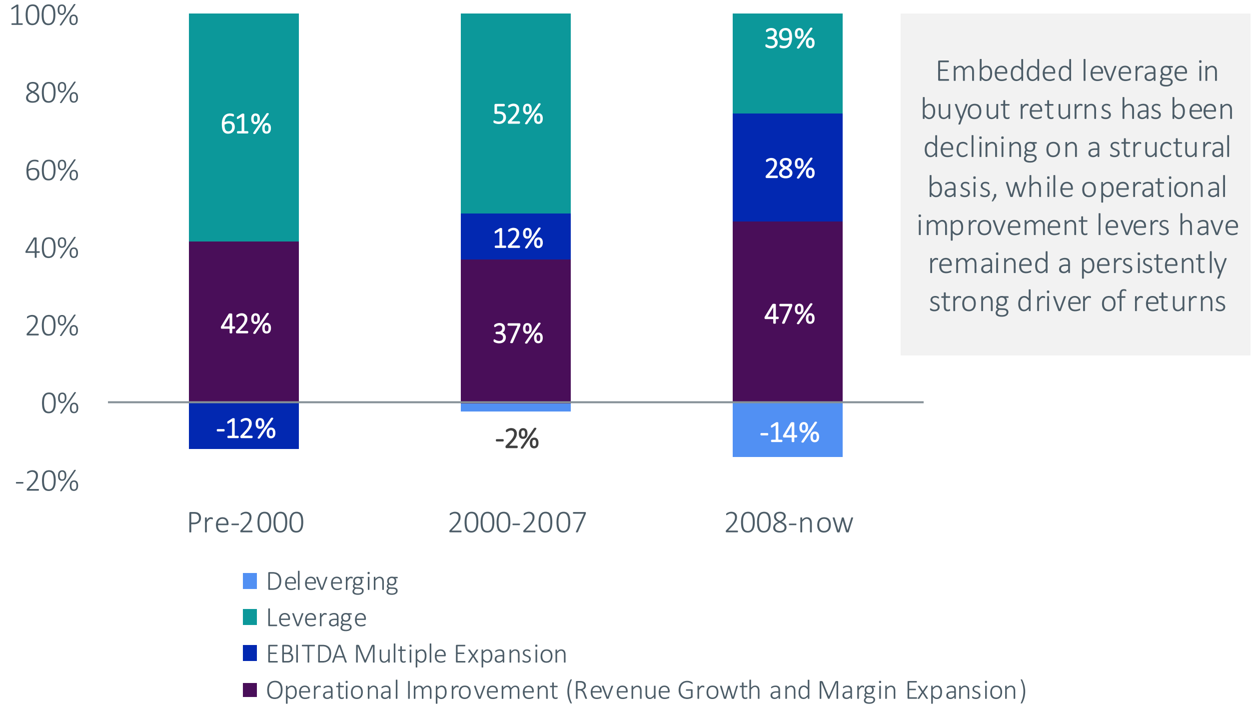
**S&P 500 3-Year Trailing vs. Future Performance, Annualized, 1983-2025**




Data as at October 31, 2025. Source: Bloomberg, KKR Global Macro & Asset Allocation analysis.

## We Think Value Creation And Exposure to Thematic Tailwinds Is More Important In a World Where Leverage Is Increasingly Less Helpful to Overall Returns

**Value Creation Percent Contributions in Global Buyout Investments**



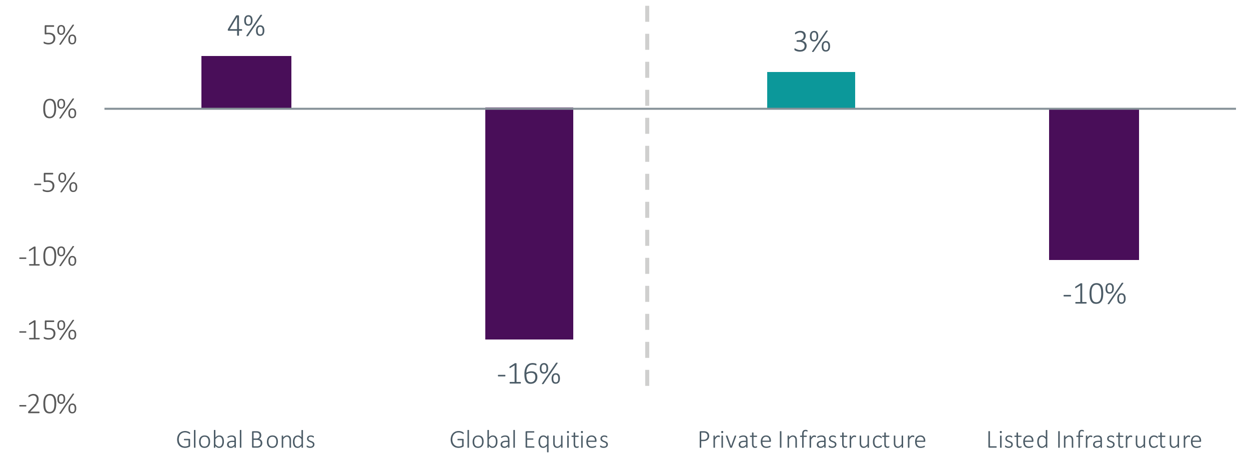

Data as at February 2022. Source: KKR GMAA Analysis of data presented in "Performance Analysis and Attribution with Alternative Investments." Ghent, Lundblad, Hu, Munday, and Brown. Kenan Institute for Private Enterprise. For Financial Advisor Use Only..

# Private Infrastructure Can Often Provide Downside Protection With Inflation-Hedged Upside, Benefitting From Structural Tailwinds

- **Fears of an AI Bubble**: Past technology-related infrastructure hype cycles suggest that the data centers, electrical infrastructure, and fiber networks being built are unlikely to go to waste. Instead, these hard assets will likely form the backbone of a new economy and achieve compounding returns. No doubt, some asset prices will become inflated.
- We think sound portfolio construction involves de-risking upfront and making realistic assumptions about project economics based on returns after the rising costs of power and capital.

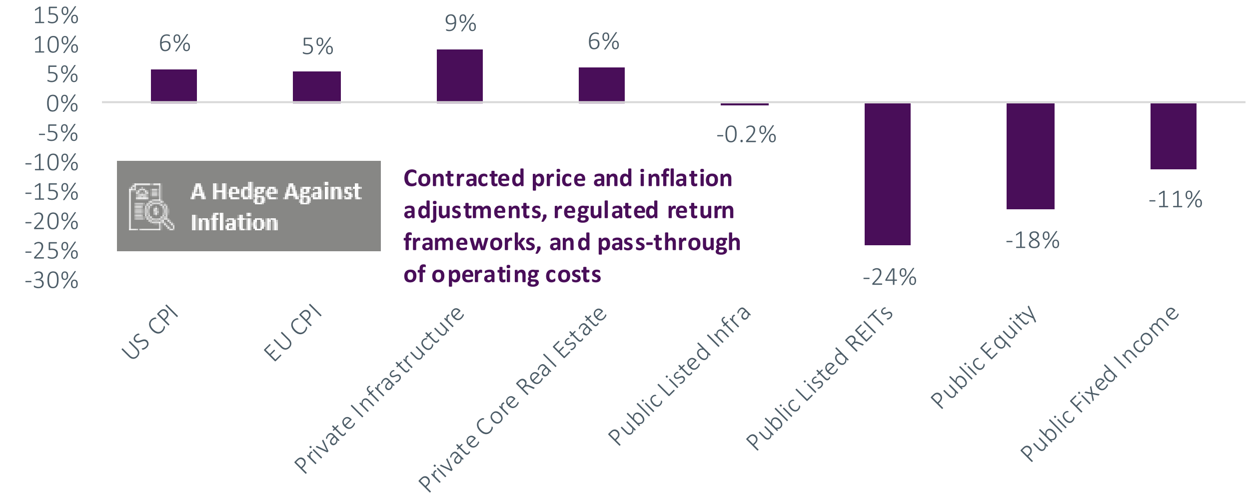
## Infrastructure Provides Downside Protection During Market Downturns

**Average Annual Return During Equity Down Markets (Equity Return < 0%), 1998-2024**




## Private Infrastructure and RE Also Exhibited Strong Inflation Protection Characteristics During the 2022 Inflation Scare

**Annualized Returns (Q4 2021 – Q4 2022)**

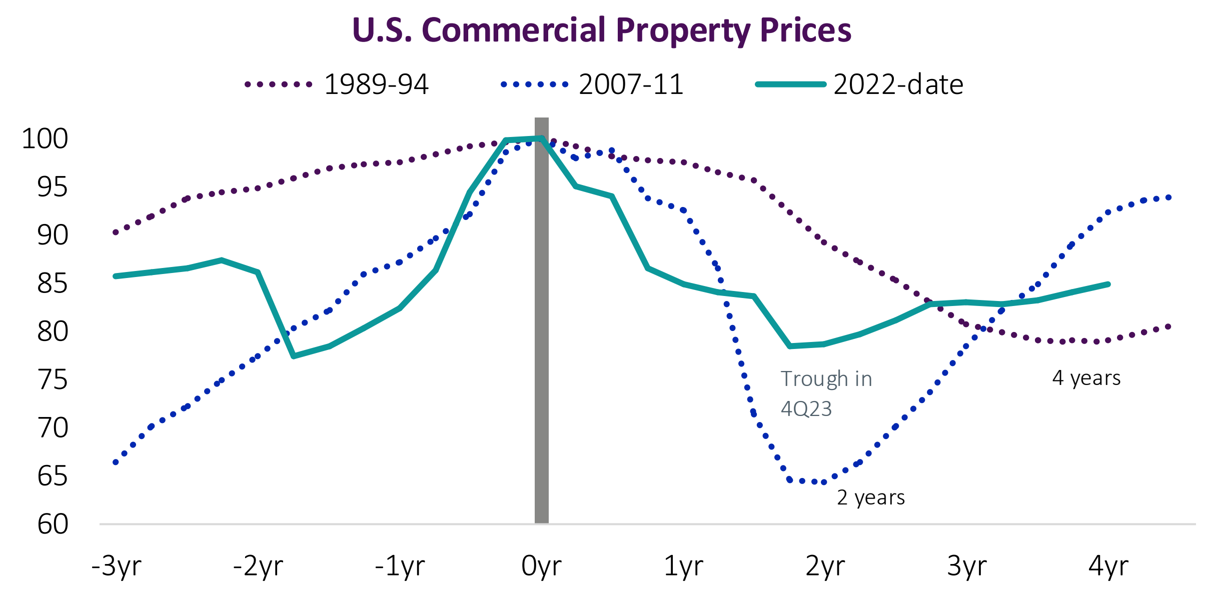



Left Chart – Data from 1998 to 2024. Equity down years are defined as periods of negative public equity returns, with average returns calculated for each asset class during those periods. Average returns for each asset classes are calculated during those periods. Global Equities is proxied using MSCI World Index, Global Bonds is proxied using Bloomberg Global Aggregate Index, Listed Infrastructure is proxied using DJ Global Infrastructure Index from 2003 onwards, Private Infrastructure is proxied using Burgiss Global Infrastructure Index from 2005 onwards. Source: Bloomberg, Burgiss, KKR Global Macro and Asset Allocation analysis. Right Chart - Data as of December 31, 2022. Private Infrastructure is proxied with the Burgiss Global Infrastructure Index, Private Core Real Estate is proxied with the NCREIF Property Index, Publicly Listed Infrastructure is proxied with the S&P Global Infrastructure Index, Publicly Listed REITs is proxied with FTSE EPRA/NAREIT Developed Index, Public Equity is proxied with MSCI World, Public Fixed Income is proxied with Bloomberg Global Aggregate Hedged to USD. Source: Bloomberg, NCREIF, Burgiss, KKR Global Macro & Asset Allocation analysis. Past performance is no guarantee of future results. For Financial Advisor Use Only.

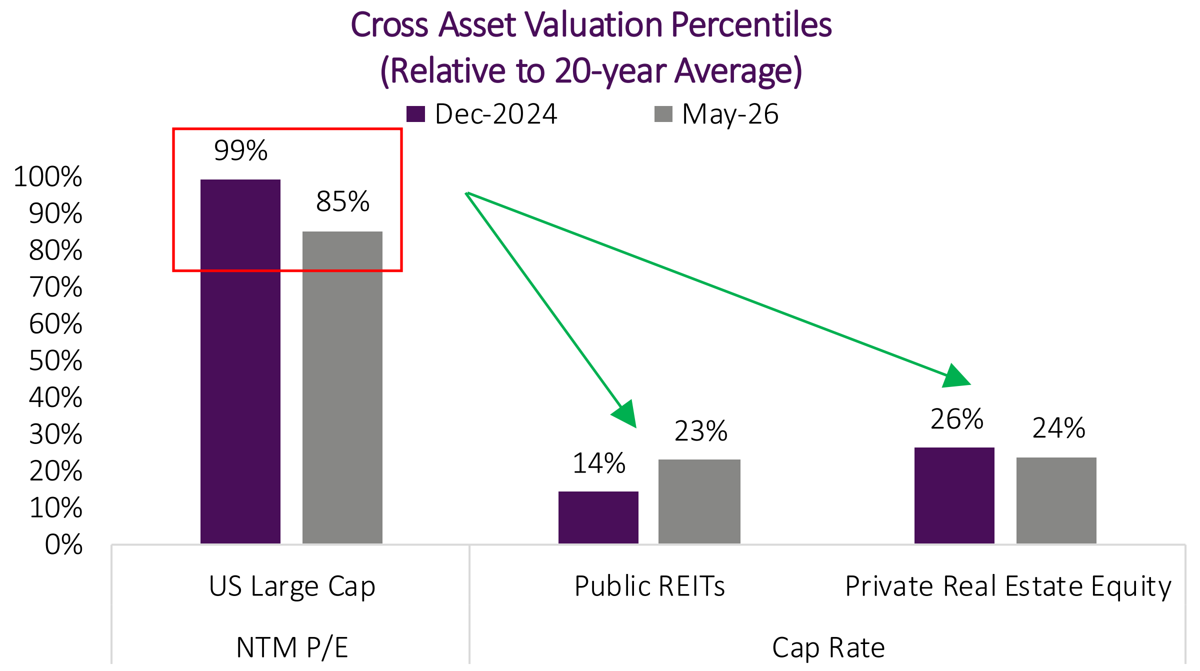
# As for Real Estate, We Are Beginning to Turn More Positive. In Certain Instances, We Are Seeing Some Green Shoots As Repricing Occurs

- Following the disruption and repricing we have witnessed over the past 24+ months, the attractiveness of Real Estate has improved – notably so in sectors with robust fundamentals and secular tailwinds despite higher rates relative to pre-pandemic average. We see opportunities in "needs-based" assets including in Industrials as well as Senior and Student Housing.
- Transaction activity and debt markets are gradually recovering. Lenders are focused on high quality assets in thematic sectors and target markets.

## Commercial Real Estate Prices Bottomed Two Years Ago, and the Market Has Been Recovering–Gradually–Since 4Q23




## Real Estate Valuations Remain Attractive Relative to History, Whereas U.S. Large-Cap Equities Are More Fully Valued



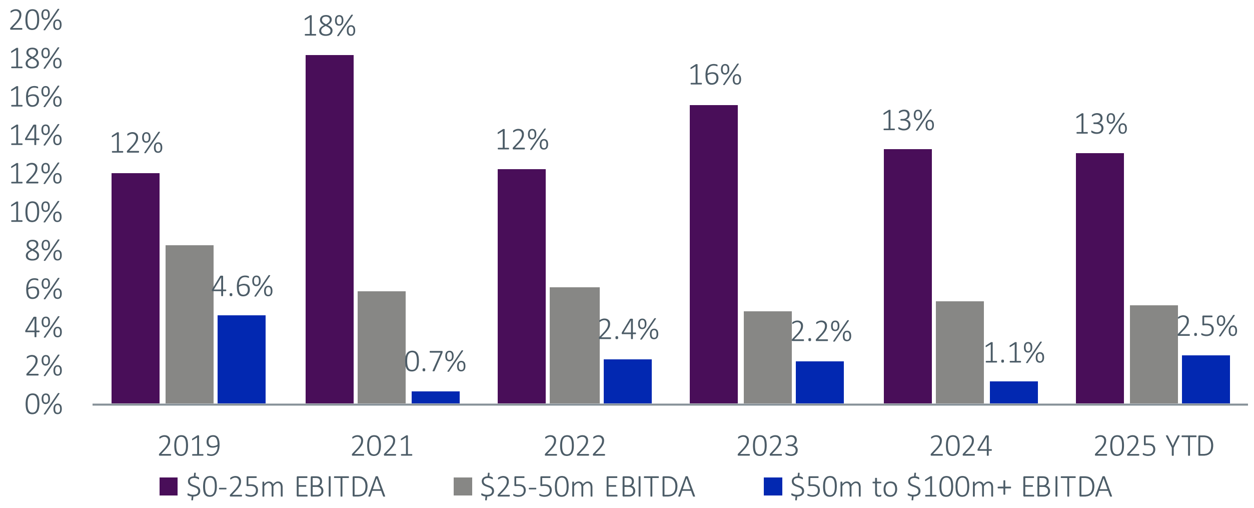

Note: Left Chart - Source: Quarterly data sourced from Federal Reserve Board Commercial Property Prices Index for 1951-1997 and Green Street Advisors Commercial Property Price Index ("CPPI") from 1998 onwards.
Right Chart - Data as at 5/31/2026. Data based on Nominal Cap Rates and since 1998, or since available. Source: Green Street, KKR Global Macro and Asset Allocation analysis. For Financial Advisor Use Only.

# In Private Credit, We Advocate Sheltering in Quality, Focusing Exposure on Larger Companies with Durable Business Models

- Despite tightening spreads and some covenant softening as larger and more stable borrowers have entered the direct lending market, direct lending's stable income remains a consistent way to capture absolute yield for senior-secured credit risk.
- Asset-based finance, capital solutions, and Asia-Pacific credit markets offer a differentiated risk/return profile and diversification.

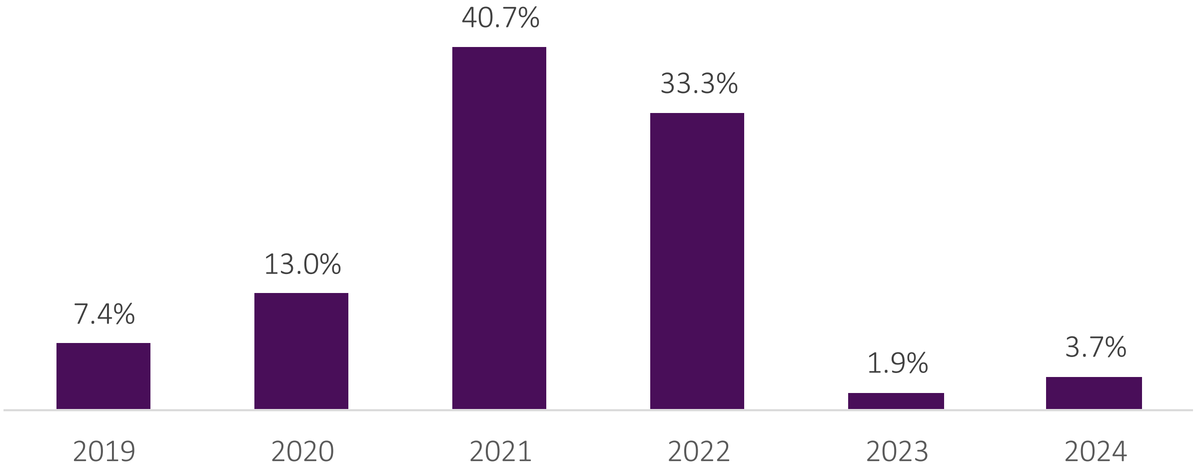
## Defaults Have Been Elevated for the Past 3+ Years, But Stress Is Mostly Concentrated in Lower Middle Market

**Private Credit Default Rate by EBITDA**




## 2021 and 2022 Vintages Reflect Weaker Underwriting; Other Vintages Are Better Positioned

**Percent of Debt Foreclosed in 2025 and 2026 by Vintage**

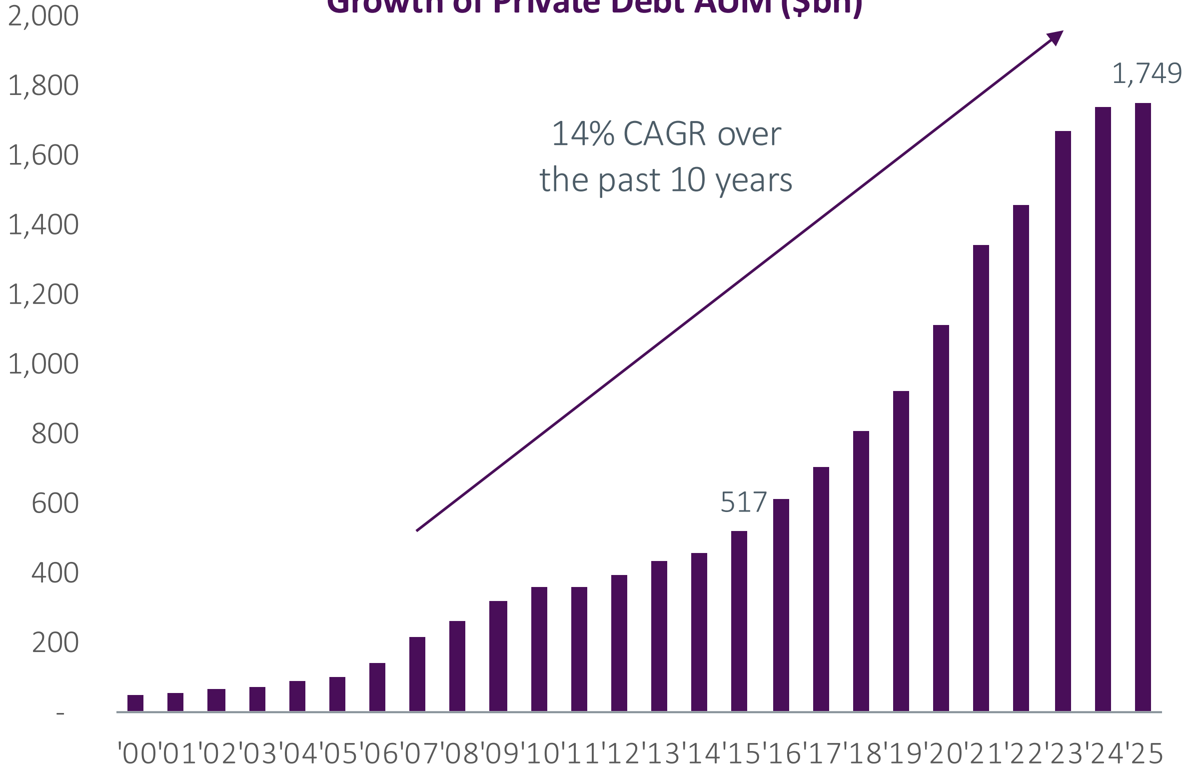



Left Chart – Lincoln determines covenant defaults by tracking technical breaches in loan agreements—specifically failing to maintain required financial ratios—rather than solely relying on missed payments. Source: Lincoln International – Private Market Perspectives – Quarter Ended March 31, 2026. Right Chart – Data as of 1Q26. Source: Lincoln International. For Financial Advisor Use Only.

# From a Systemic Risk Perspective, Private Credit Has Grown Meaningfully, But Is Still Not a Major Segment of the Global Fixed Income Market

## Private Debt Assets Have Been Growing at a 14% CAGR Over the Last 10 Years…

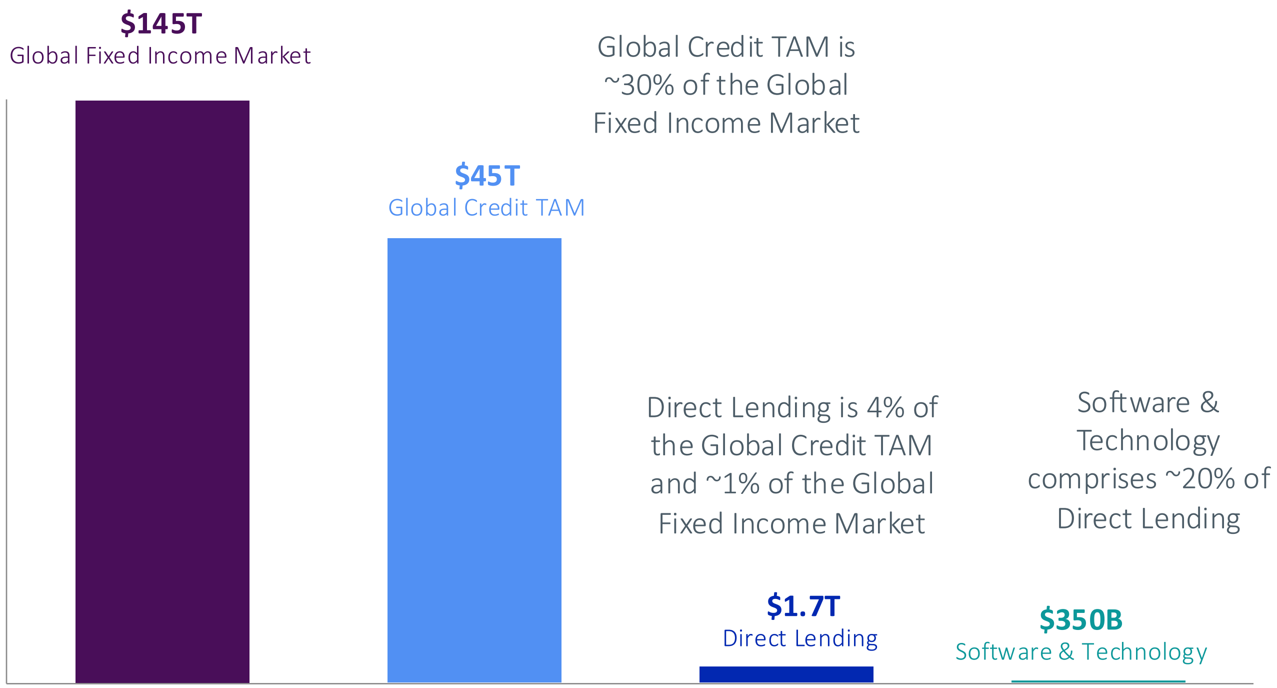
**Growth of Private Debt AUM ($bn)**




Data as at December 31, 2025. Source: Preqin.

## …But Still Represent a Small Fraction (~1%) of the Global Fixed Income Market

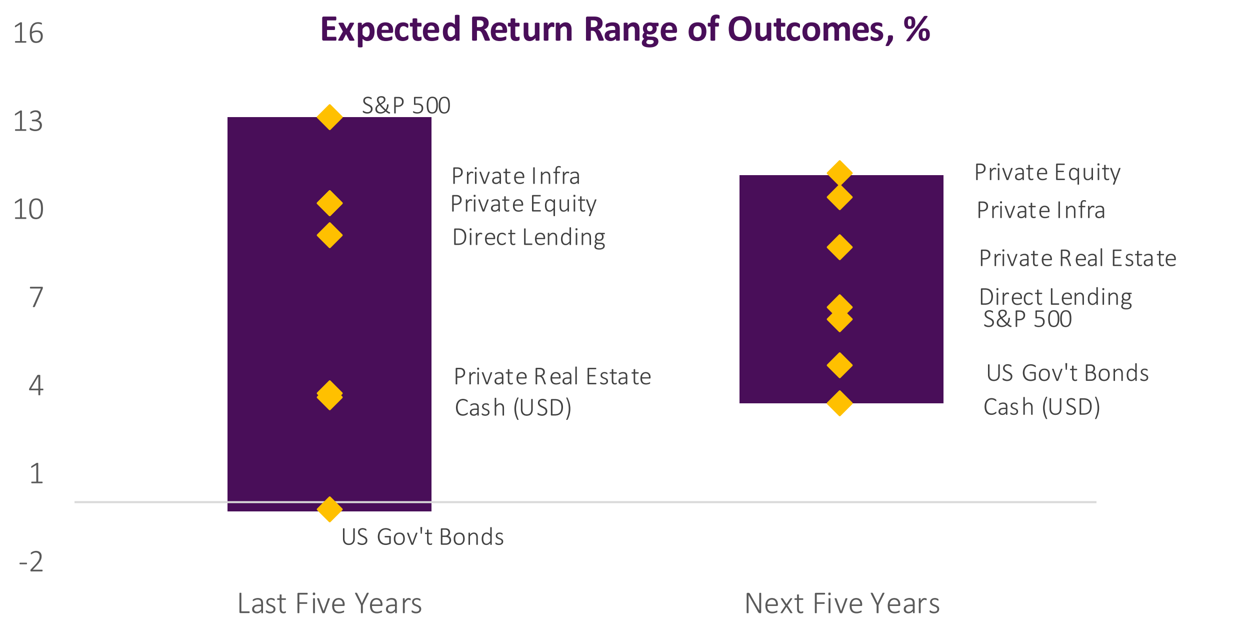
**Global Credit Market Sizing**




For illustrative purposes may be subject to change. The above reflects the opinion of KKR Credit and should not be relied upon as investment advice. Source: Board of Governors of the Federal Reserve System, Bloomberg, Refinitiv, Dealogic, SIFMA, Bank of International Settlements, ICE BofAML, Morningstar LSTA LLI, JPM CLOIE. Includes bank loans, debt securities, credit from non-residents, private credit and other non-bank lending sources. Analysis of KKR Credit.

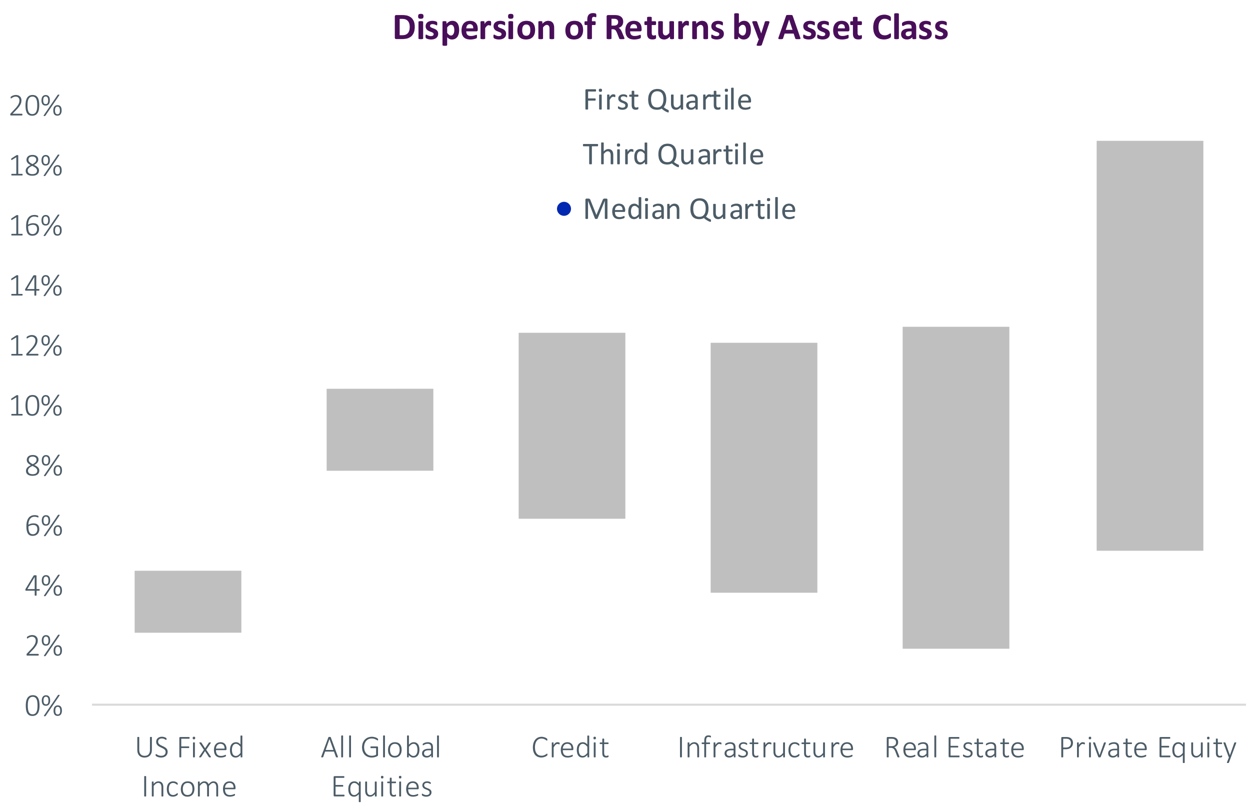
# Disciplined Manager Selection Matters More Than In the Past

## A Narrower Range of Outcomes Elevates the Importance of Manager Selection and Non-Correlation




Last 5-Years return from April 30, 2021 to April 30, 2026 for consistency across asset classes. Private Markets as at 4Q2025. Capital markets assumptions are average across all quartiles with annualized total returns. Forecasts represent five-year annualized total return expectations. For private asset classes (Private Credit, Private Infra, Private Real Estate, and Private Equity), returns are representative of the median manager return net of fees and carry. Source: Bloomberg, BofA, Burgiss, Cambridge, KKR Global Macro & Asset Allocation analysis. Private Real Estate modeled using the Cambridge Associates Real Estate Index. Private Infrastructure modeled using the Cambridge Associates Infrastructure Index. Private Equity modeled using the Cambridge Associates Private Equity Index. Private Credit modeled using the Cliffwater Direct Lending Index. Model returns are hypothetical in nature and are shown for illustrative, informational purposes only. Target returns are hypothetical in nature and are shown for illustrative, informational purposes only Past performance does not guarantee future results. Indexes are unmanaged. It is not possible to invest directly in an index. Model returns are hypothetical in nature and are shown for illustrative, informational purposes only. **Past performance does not guarantee future results.** For Financial Advisor Use Only.

## Outcomes Can Vary Across Managers, Driven by Differences In Asset Selection, Structuring, and Value-Creation Capability




Data as at March 31, 2025. Source: eVestment Alliance database, Cambridge Associates.

# Appendix

# By The Numbers – Portfolio Construction

| | Return | Volatility | Return per Unit of Risk | △ vs. 60/40 | % Liquid Asset | Cash Yield |
|---|---|---|---|---|---|---|
| **All Periods by Portfolio** | | | | | | |
| Alts Enhanced - Generate Income | 8.8% | 8.3% | 1.07 | 1.07 | 70% | 4.5% |
| Alts Enhanced - Preserve Capital | 9.0% | 8.5% | 1.06 | 1.06 | 70% | 4.2% |
| Alts Enhanced - Boost Return | 10.0% | 10.7% | 0.93 | 0.93 | 70% | 3.2% |
| 60/40 | 9.5% | 11.6% | 0.82 | | 100% | 3.1% |
| **Low Inflation** | | | | | | |
| Alts Enhanced - Generate Income | 7.8% | 9.0% | 0.87 | 0.87 | 70% | 4.0% |
| Alts Enhanced - Preserve Capital | 7.8% | 9.2% | 0.85 | 0.85 | 70% | 3.8% |
| Alts Enhanced - Boost Return | 8.3% | 12.3% | 0.67 | 0.67 | 70% | 2.9% |
| 60/40 | 8.4% | 12.4% | 0.67 | | 100% | 2.7% |
| **High Inflation** | | | | | | |
| Alts Enhanced - Generate Income | 9.6% | 7.5% | 1.29 | 1.29 | 70% | 4.9% |
| Alts Enhanced - Preserve Capital | 9.9% | 7.7% | 1.29 | 1.29 | 70% | 4.6% |
| Alts Enhanced - Boost Return | 11.2% | 9.3% | 1.21 | 1.21 | 70% | 3.5% |
| 60/40 | 9.9% | 11.4% | 0.87 | | 100% | 3.5% |

Alts Enhanced – Boost Return refers to a portfolio allocation of 45% Public Equity, 25% Bonds, 5% Private Real Estate, 5% Private Infrastructure, 15% Private Equity, and 5% Private Credit. Alts Enhanced – Preserve Capital refers to a portfolio allocation of 30% Stocks, 40% Bonds, 5% Private Real Estate, 7.5% Private Infrastructure, 5% Private Equity, and 12.5% Private Credit. Alts Enhanced – Generate Income refers to a portfolio allocation of 30% Public Equity, 40% Bonds, 7.5% Private Real Estate, 7.5% Private Infrastructure, and 15% Private Credit. 60/40 refers to a portfolio allocation of 60% Public Equity and 40% Bonds. High Inflation is defined as annual CPI > 2.5% and Low Inflation is defined as annual CPI < 2.5%. Portfolio returns and volatility modeled using annual total returns from 1971 to 2024 for the S&P 500, from 1998 to 2024 for Private Real Estate, from 2005 to 2024 for Private Infrastructure, from 1974 to 2024 for Bonds, from 1999 to 2024 for Private Equity, and from 2006 to 2024 for Private Credit. Assumes continuous rebalancing of the portfolios. U.S. equities modeled using the S&P 500 Index. Bonds modeled using a mix of 50% U.S. T-Bonds and 50% Investment Grade Corp. Private Real Estate modeled using the NCREIF Property Levered Index. Private Infrastructure modeled using the Burgiss Infrastructure Index. Private Equity modeled using the Burgiss North America Buyout Index. Private Credit modeled using the Burgiss Private Credit All Index. Cash yields modeled using annual data from 1990 to 2024 for Public Equity, Bonds, and Infrastructure, from 1995 to 2024 for Real Estate, from 2005 to 2024 for Private Credit. Public Equity using S&P 500 12M gross dividend yield, Private Equity proxied using S&P Small Cap 12M gross dividend yield, Private Infrastructure proxied using S&P Infrastructure 12M gross dividend yield from 2006 onwards and 1990-2006 back filled using S&P Utilities, Public Credit based on Bloomberg US Agg Credit income return, Private Credit using adjusted Cliffwater Direct Lending Index Income Return, Private Real Estate based on NCREIF NPI cap rate. Source: Burgiss, Bloomberg, NCREIF, KKR GMAA Analysis. No specific KKR products referenced. Model returns are hypothetical in nature and are shown for illustrative, informational purposes only. Past performance does not guarantee future results. For Financial Advisor Use Only.