

Verifier Statement

Independent Verification Report

Prepared for KKR Global Impact Funds: May 24th, 2024

Introduction

As a signatory of the Operating Principles for Impact Management (the Impact Principles)¹, KKR Global Impact Funds (defined as KKR Global Impact Fund I (EUR) SCSp together with Fund II (EUR) SCSp) engaged BlueMark to undertake an independent verification of the alignment of KKR Global Impact Funds' impact management (IM) system with the Impact Principles. KKR Global Impact Funds' assets under management covered by the Impact Principles (Covered Assets) totals \$4.1 billion², as of June 30, 2024.

Summary assessment conclusions

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

Principle 1: KKR's impact strategy targets investments aligned with the SDGs across four themes. Each theme, directly linked to 2-5 SDGs, is selected with input from experts and informed by external research and evidence. Deal teams regularly conduct market research into target sub-themes to validate impact potential and refine their strategy.

Principle 2: KKR assesses impact potential across investments through a common framework in its due diligence process, and reviews and compares the impact results of its investments at the portfolio level. The firm broadly considers impact, ESG, and DE&I considerations as part of its staff performance review framework. To further align, KKR should consider opportunities to more formally assess individual team members' contributions towards the achievement of impact outcomes within staff performance reviews.

Principle 3: KKR contributes to its investees' achievement of impact through impact-linked value-creation activities and ESG initiatives. Intended contribution is captured as part of the due diligence process and reported annually as part of the impact report.

Principle 4: KKR assesses impact across multiple dimensions using a three-pass due diligence process and evaluates impact risks associated with each prospective investment. KKR also establishes impact projections and targets during the last stage of the due diligence process.

Principle 5: KKR leverages a multi-stage due diligence process to identify underlying ESG risks. During onboarding, the firm discusses improvement initiatives and sets goals with investees during onboarding. The firm tracks key ESG KPIs and activities on a quarterly basis and engages with investees if new risks and/or underperformance emerge.

Principle 6: KKR collects impact and ESG data from investees quarterly and annually. The data are reviewed, compared, and analyzed against prior year and expectations. The firm has also conducted stakeholder surveys and commissioned studies to validate the long-term impact outcomes.

Principle 7: KKR has developed an exit template to evaluate the influence of factors, such as timing and buyer's experience in ESG management, could have on the long-term impact sustainability of its investees beyond the exit point.

Principle 8: KKR regularly hosts impact-management training sessions and an Annual Meeting to reflect on lessons learned through its investments. The firm continuously integrates insights gained into its strategy and process refinement. To further align, KKR should consider more formally reviewing the unintended and indirect impacts of its investments.

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

² Assets under management figure as reflected in KKR Global Impact Funds Disclosure Statement 2024. BlueMark's assessment did not include verification of the AUM figure.

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Assessment methodology and scope

KKR Global Impact Funds provided BlueMark with the relevant supporting documentation for the policies, processes, and tools related to the IM system applicable to the Covered Assets. The scope of BlueMark’s work was limited to processes in place related to the Covered Assets as of May 2024. BlueMark’s assessment of the IM system included an evaluation of both the system itself and supporting documentation, as well as the consistency of the draft disclosure statement with the IM system. BlueMark believes that the evidence obtained in the scope of its assessment is sufficient and appropriate to provide a basis for our conclusions.³

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

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

Permissions

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

About BlueMark

BlueMark, a Delaware-registered public benefit company, is a leading provider of impact verification services in the impact investing market. BlueMark was founded with a mission to “strengthen trust in impact investing” and to help bring more accountability to the impact investment process. BlueMark has conducted this verification with an independent and unconflicted team experienced in relevant impact measurement and management issues. BlueMark has implemented a Standard of Conduct requiring our employees to adhere to the highest standards of professional integrity, ethics, and objectivity in their conduct of business activities.

BlueMark has office locations in London, UK; New York, NY; and Portland, OR; and is headquartered at 154 W 14th St, 2nd Floor, New York, NY 10011. Its outside investors include S&P Global, Temasek Trust Capital, Blue Haven Initiative, Gunung Capital, Tsao Family Office, Ford Foundation and Radicle Impact. For more information, please visit www.bluemark.co.

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