



Manager fact sheet

As of June 30, 2020
unless otherwise noted

KKR

Integrity. Trust. Partnership.

Founded	KKR was founded in 1976 and KKR Credit was founded in 2004.
Offices	20 cities globally
Employees	475+ private and public investment professionals
Assets under management¹	KKR: \$221.8B, KKR Credit: \$72.3B
Manager overview	KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate, credit and, through its strategic partners, hedge funds. ²
Client base	Investors currently include pension funds, endowments, global banks, family offices, insurance companies, fund of funds and high net worth individuals, among other qualified investors.

KKR Credit Team

Areas of credit expertise	Leveraged credit, private credit, special situations credit
Manager philosophy	<p>Global presence With \$72.3B in assets under management and a team of approximately 130 investment professionals across the globe, KKR Credit has global reach with local presence. This allows investment professionals to obtain deep insight into companies, management teams and other stakeholders in portfolio companies and global markets.</p> <p>Depth of analysis KKR Credit employs an intense and consistent underwriting process. Investment professionals are trained in a private equity due diligence standard that leverages investment and operational teams across KKR. Seeking to be the sole or lead lender allows KKR Credit to control resolution with a focus on documentation and structural protections.</p> <p>Differentiated sourcing model KKR has a long track record of sourcing investment opportunities and deploying capital globally and across the capital structure. This experience has resulted in a deep and established network of relationships with banks, advisors, companies, sponsors and trading counterparties. It is this network that KKR believes provides a competitive advantage of finding and identifying investments for their clients.</p>
Manager investment approach	<p>Proprietary sourcing² Broad sourcing model and ability to leverage the full KKR network: KKR investment teams, KKR Capital Markets, KKR Capstone (operational consulting team), portfolio company management and KKR's senior Advisor Network^{3,4}</p> <p>Capital preservation Focused on downside risks and structuring appropriate credit protections.⁵ KKR Credit is a hands-on investor when required, leveraging the KKR operational and workout teams.</p> <p>Active portfolio management KKR Credit conducts full quarterly re-underwriting of every credit on its platform as part of the Portfolio Management Committee process. Quarterly position-level risk ratings are supplemented with portfolio-level risk analysis.</p>

Key KKR Credit investment professionals and experience

Todd Builione

President, KKR Credit & Markets

21+ years of experience
7 years at KKR

Previous experience

- Highbridge Capital

Daniel Pietrzak

Co-Head, KKR Private Credit

22+ years of experience
4.5 years at KKR

Previous experience

- Deutsche Bank

Ryan L.G. Wilson

Managing Director, KKR Private Credit

20+ years of experience
14 years at KKR

Previous experience

- PwC

KKR CREDIT STRATEGY	ASSETS UNDER MANAGEMENT¹	DETAILS
Leveraged Credit	\$41.2B	KKR Credit's Leveraged Credit strategies pursue investments in syndicated bank loans, high yield bonds and other traded credit instruments such as structured credit. In addition, KKR Credit's opportunistic credit strategy invests tactically across these credit instruments seeking what is believed to be the strongest relative value. KKR Credit's investment approach is based on deep credit underwriting and rigorous financial analysis incorporating valuable characteristics of both credit and private equity underwriting. KKR Credit pursues these strategies primarily through commingled funds, separately managed accounts and collateralized loan obligations (CLOs).
Private Credit	\$23.5B	<p>Direct Lending KKR Credit offers tailored senior debt solutions to upper middle market corporate borrowers leveraging KKR's large global investment team, balance sheet and capital markets distribution team.² KKR Credit seeks to be the sole or lead lender in each transaction to manage the key terms of each transaction and to seek the targeted risk-adjusted returns.</p> <p>Private Opportunistic Credit This strategy can include investments in asset-based lending, specialty finance, corporate mezzanine and structured credit instruments globally, offering investors a source of income and diversification. KKR Credit seeks to generate returns above typical senior debt strategies through both illiquidity and structuring premiums via current yield coupled with potential equity exposure for additional upside potential.</p>
Special Situations	\$7.7B	Through its Special Situations strategy, KKR Credit pursues investments in distressed corporate opportunities, particularly where capital structure distress or broader market dislocation has given rise to mispricing of securities or the opportunity to purchase assets at a discount to estimated fair value. The strategy also invests in non-distressed issuers, particularly those requiring complex capital structure solutions. The strategy focuses on investing behind capital structures and management teams that KKR Credit believes can be influenced to achieve positive outcomes. KKR Credit's typical process involves engaging investment professionals within KKR Capstone, KKR's Private Equity industry and regional teams, and others to help identify and drive operational change and value creation. ^{3,4}

1 References to "assets under management" or "AUM" represent the assets to which KKR Credit is entitled to receive a fee or carried interest. KKR Credit's calculation of AUM may differ from the calculations of other asset managers and, as a result, KKR Credit's measurements of its AUM may not be comparable to similar measures presented by other asset managers. KKR Credit's definition of AUM is not based on the definitions of AUM that may be set forth in agreements governing the investment funds, vehicles or accounts that it manages and is not calculated pursuant to any regulatory definitions.

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

3 References to "KKR Capstone" or "Capstone" are to all or any of KKR Capstone Americas LLC, KKR Capstone EMEA LLP, KKR Capstone EMEA (International) LLP, KKR Capstone Asia Limited and their affiliates, which are owned and controlled by their senior management. KKR Capstone is not a subsidiary or affiliate of KKR. KKR Capstone operates under several consulting agreements with KKR and uses the "KKR" name under license from KKR. References to operating executives, operating experts or operating consultants are to employees of KKR Capstone and not to employees of KKR.

4 References to "Senior Advisors" and "Industry Advisors" are to individuals who are engaged, as consultants, to assist KKR with sourcing or developing investment ideas and a variety of other matters. These individuals are not employees of KKR. The portion of the compensation paid to Senior Advisors and Industry Advisors that is related to fund activities, such as sourcing investments or monitoring portfolio companies, may be borne by the relevant funds. References to "KKR Advisors" are to individuals who were formerly employees of KKR and are engaged as consultants for KKR. None of the compensation of KKR Advisors is borne by the funds.

5 Downside protection is no guarantee against future losses.

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