

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2023 OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File Number: 001-41197

APOLLO GLOBAL MANAGEMENT, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

86-3155788

(I.R.S. Employer Identification No.)

9 West 57th Street, 42nd Floor

New York, New York 10019

(Address of principal executive offices) (Zip Code)

(212) 515-3200

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Trading Symbol(s)

Name of each exchange on which registered

Common Stock

APO

New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 5, 2023, there were 567,403,760 shares of the registrant's common stock outstanding.

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Forward-Looking Statements

This report may contain forward-looking statements that are within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These statements include, but are not limited to, discussions related to Apollo’s expectations regarding the performance of its business, its liquidity and capital resources and the other non-historical statements in the discussion and analysis. These forward-looking statements are based on management’s beliefs, as well as assumptions made by, and information currently available to, management. When used in this report, the words “believe,” “anticipate,” “estimate,” “expect,” “intend,” “target” or future or conditional verbs, such as “will,” “should,” “could,” or “may,” and variations of such words and similar expressions are intended to identify forward-looking statements. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. These statements are subject to certain risks, uncertainties and assumptions, including risks relating to inflation, market conditions and interest rate fluctuations generally, the impact of COVID-19, the impact of energy market dislocation, our ability to manage our growth, our ability to operate in highly competitive environments, the performance of the funds we manage, our ability to raise new funds, the variability of our revenues, earnings and cash flow, the accuracy of management’s assumptions and estimates, our dependence on certain key personnel, our use of leverage to finance our businesses and investments by the funds we manage, Athene’s ability to maintain or improve financial strength ratings, the impact of Athene’s reinsurers failing to meet their assumed obligations, Athene’s ability to manage its business in a highly regulated industry, changes in our regulatory environment and tax status, and litigation risks, among others. We believe these factors include but are not limited to those described under the section entitled “Risk Factors” in the Company’s annual report on Form 10-K filed with the United States Securities and Exchange Commission (“SEC”) on March 1, 2023 (the “2022 Annual Report”), as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this report and in our other filings with the SEC. We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

Terms Used in This Report

In this report, references to “Apollo,” “we,” “us,” “our,” and the “Company” for periods (i) on or before December 31, 2021 refer to Apollo Asset Management, Inc. (f/k/a Apollo Global Management, Inc.) (“AAM”) and its subsidiaries unless the context requires otherwise and (ii) subsequent to December 31, 2021, refer to Apollo Global Management, Inc. (f/k/a Tango Holdings, Inc.) (“AGM”) and its subsidiaries unless the context requires otherwise. Moreover, references to “Class A shares” refers to the Class A common stock, \$0.00001 par value per share, of AAM prior to the Mergers; “Class B share” refers to the Class B common stock, \$0.00001 par value per share, of AAM prior to the Mergers (as defined below); “Class C share” refers to the Class C common stock, \$0.00001 par value per share, of AAM prior to the Mergers; “Series A Preferred shares” refers to the 6.375% Series A preferred stock of AAM both prior to and following the Mergers; “Series B Preferred shares” refers to the 6.375% Series B preferred stock of AAM both prior to and following the Mergers; and “Preferred shares” refers to the Series A Preferred shares and the Series B Preferred shares, collectively, both prior to and following the Mergers. In addition, for periods on or before December 31, 2021, references to “AGM common stock” or “common stock” of the Company refer to Class A shares unless the context otherwise requires, and for periods subsequent to December 31, 2021 refer to shares of common stock, par value \$0.00001 per share, of AGM.

The use of any defined term in this report to mean more than one entity, person, security or other item collectively is solely for convenience of reference and in no way implies that such entities, persons, securities or other items are one indistinguishable group. For example, notwithstanding the use of the defined terms “Apollo,” “we,” “us,” “our,” and the “Company” in this report to refer to AGM and its subsidiaries, each subsidiary of AGM is a standalone legal entity that is separate and distinct from AGM and any of its other subsidiaries. Any AGM entity (including any Athene entity) referenced herein is responsible for its own financial, contractual and legal obligations.

Term or Acronym	Definition
AAA	Apollo Aligned Alternatives, L.P., together with its parallel funds and alternative investment vehicles
AADE	Athene Annuity & Life Assurance Company
AARe	Athene Annuity Re Ltd., a Bermuda reinsurance subsidiary
ABS	Asset-backed securities
Accord+	Apollo Accord+ Fund, L.P., together with its parallel funds and alternative investment vehicles

Accord I	Apollo Accord Master Fund, L.P., together with its feeder funds
Accord II	Apollo Accord Master Fund II, L.P., together with its feeder funds
Accord III	Apollo Accord Master Fund III, L.P., together with its feeder funds
Accord III B	Apollo Accord Master Fund III B, L.P., together with its feeder funds
Accord IV	Apollo Accord Fund IV, L.P., together with its parallel funds and alternative investment vehicles
Accord V	Apollo Accord Fund V, L.P., together with its parallel funds and alternative investment vehicles
ACRA	ACRA 1 and ACRA 2
ACRA 1	Athene Co-Invest Reinsurance Affiliate Holding Ltd., together with its subsidiaries
ACRA 2	Athene Co-Invest Reinsurance Affiliate Holding 2 Ltd., together with its subsidiaries
ADCF	Apollo Diversified Credit Fund
ADIP	Apollo/Athene Dedicated Investment Program (A), L.P., together with its parallel funds, a series of funds managed by Apollo including third-party capital that, through ACRA, invests alongside Athene in certain investments
ADREF	Apollo Diversified Real Estate Fund
ADS	Apollo Debt Solutions BDC, a non-traded business development company managed by Apollo
AFS	Available-for-sale
AFT	Apollo Senior Floating Rate Fund, Inc.
AIF	Apollo Tactical Income Fund, Inc.
AIOF I	Apollo Infra Equity US Fund, L.P. and Apollo Infra Equity International Fund, L.P., including their feeder funds and alternative investment vehicles
AIOF II	Apollo Infrastructure Opportunities Fund II, L.P., together with its parallel funds and alternative investment vehicles
ALRe	Athene Life Re Ltd., a Bermuda reinsurance subsidiary
Alternative investments	Alternative investments, including investment funds, CLO and ABS equity positions and certain other debt instruments considered to be equity-like
AMH	Apollo Management Holdings, L.P., a Delaware limited partnership, that is an indirect subsidiary of AGM
ANRP I	Apollo Natural Resources Partners, L.P., together with its alternative investment vehicles
ANRP II	Apollo Natural Resources Partners II, L.P., together with its alternative investment vehicles
ANRP III	Apollo Natural Resources Partners III, L.P., together with its parallel funds and alternative investment vehicles
AOCI	Accumulated other comprehensive income (loss)
AOG Unit Payment	On December 31, 2021, holders of units of the Apollo Operating Group (“AOG Units”) (other than Athene and the Company) sold and transferred a portion of such AOG Units to APO Corp., a wholly-owned consolidated subsidiary of the Company, in exchange for an amount equal to \$3.66 multiplied by the total number of AOG Units held by such holders immediately prior to such transaction.
Apollo funds, our funds and references to the funds we manage	The funds (including the parallel funds and alternative investment vehicles of such funds), partnerships, accounts, including strategic investment accounts or “SIAs,” alternative asset companies and other entities for which subsidiaries of Apollo provide investment management or advisory services.
Apollo Operating Group	(i) The entities through which we currently operate our asset management business and (ii) one or more entities formed for the purpose of, among other activities, holding certain of our gains or losses on our principal investments in the funds, which we refer to as our “principal investments.”
APSG I	Apollo Strategic Growth Capital
APSG II	Apollo Strategic Growth Capital II
ARI	Apollo Commercial Real Estate Finance, Inc.

Assets Under Management, or AUM	<p>The assets of the funds, partnerships and accounts to which Apollo provides investment management, advisory, or certain other investment-related services, including, without limitation, capital that such funds, partnerships and accounts have the right to call from investors pursuant to capital commitments. Our AUM equals the sum of:</p> <ol style="list-style-type: none"> 1. the NAV, plus used or available leverage and/or capital commitments, or gross assets plus capital commitments, of the yield and certain hybrid funds, partnerships and accounts for which we provide investment management or advisory services, other than certain CLOs, CDOs, and certain perpetual capital vehicles, which have a fee-generating basis other than the mark-to-market value of the underlying assets; for certain perpetual capital vehicles in yield, gross asset value plus available financing capacity; 2. the fair value of the investments of the equity and certain hybrid funds, partnerships and accounts Apollo manages or advises, plus the capital that such funds, partnerships and accounts are entitled to call from investors pursuant to capital commitments, plus portfolio level financings; 3. the gross asset value associated with the reinsurance investments of the portfolio company assets Apollo manages or advises; and 4. the fair value of any other assets that Apollo manages or advises for the funds, partnerships and accounts to which Apollo provides investment management, advisory, or certain other investment-related services, plus unused credit facilities, including capital commitments to such funds, partnerships and accounts for investments that may require pre-qualification or other conditions before investment plus any other capital commitments to such funds, partnerships and accounts available for investment that are not otherwise included in the clauses above. <p>Apollo's AUM measure includes Assets Under Management for which Apollo charges either nominal or zero fees. Apollo's AUM measure also includes assets for which Apollo does not have investment discretion, including certain assets for which Apollo earns only investment-related service fees, rather than management or advisory fees. Apollo's definition of AUM is not based on any definition of Assets Under Management contained in its governing documents or in any management agreements of the funds Apollo manages. Apollo considers multiple factors for determining what should be included in its definition of AUM. Such factors include but are not limited to (1) Apollo's ability to influence the investment decisions for existing and available assets; (2) Apollo's ability to generate income from the underlying assets in the funds it manages; and (3) the AUM measures that Apollo uses internally or believes are used by other investment managers. Given the differences in the investment strategies and structures among other alternative investment managers, Apollo's calculation of AUM may differ from the calculations employed by other investment managers. Apollo's calculation also differs from the manner in which its affiliates registered with the SEC report "Regulatory Assets Under Management" on Form ADV and Form PF in various ways. Apollo uses AUM, Gross capital deployment and Dry powder as performance measurements of its investment activities, as well as to monitor fund size in relation to professional resource and infrastructure needs.</p>
Athene	Athene Holding Ltd. ("Athene Holding" or "AHL", together with its subsidiaries, "Athene"), a leading financial services company specializing in retirement services that issues, reinsures and acquires retirement savings products designed for the increasing number of individuals and institutions seeking to fund retirement needs, and to which Apollo, through its consolidated subsidiary ISG, provides asset management and advisory services.
Athora	Athora Holding, Ltd. ("Athora Holding", together with its subsidiaries, "Athora"), a strategic liabilities platform that acquires or reinsures blocks of insurance business in the German and broader European life insurance market (collectively, the "Athora Accounts"). Apollo, through ISGI, provides investment advisory services to Athora. Athora Non-Sub-Advised Assets includes the Athora assets which are managed by Apollo but not sub-advised by Apollo nor invested in Apollo funds or investment vehicles. Athora Sub-Advised includes assets which the Company explicitly sub-advises as well as those assets in the Athora Accounts which are invested directly in funds and investment vehicles Apollo manages.
Atlas	An equity investment of AAA and refers to certain subsidiaries of Atlas Securitized Products Holdings LP
AUM with Future Management Fee Potential	The committed uninvested capital portion of total AUM not currently earning management fees. The amount depends on the specific terms and conditions of each fund.
AUSA	Athene USA Corporation
Bermuda RBC	The risk-based capital ratio of Athene's non-U.S. reinsurance subsidiaries by applying NAIC risk-based capital factors to the statutory financial statements on an aggregate basis. Adjustments are made to (1) exclude U.S. subsidiaries which are included within Athene's U.S. RBC Ratio, (2) exclude interests in other non-insurance subsidiary holding companies from its capital base and (3) limit RBC concentration charges such that when they are applied to determine target capital, the charges do not exceed 100% of the asset's carrying value.
BMA	Bermuda Monetary Authority
Capital solutions fees and other, net	Primarily includes transaction fees earned by our capital solutions business which we refer to as Apollo Capital Solutions ("ACS") related to underwriting, structuring, arrangement and placement of debt and equity securities, and syndication for funds managed by Apollo, portfolio companies of funds managed by Apollo, and third parties. Capital solutions fees and other, net also includes advisory fees for the ongoing monitoring of portfolio operations and directors' fees. These fees also include certain offsetting amounts, including reductions in management fees related to a percentage of these fees recognized ("management fee offset") and other additional revenue sharing arrangements.
CDO	Collateralized debt obligation

CLO	Collateralized loan obligation
CMBS	Commercial mortgage-backed securities
CML	Commercial mortgage loans
Contributing Partners	Partners and their related parties (other than Messrs. Leon Black, Joshua Harris and Marc Rowan, our co-founders) who indirectly beneficially owned Apollo Operating Group units.
Consolidated RBC	The consolidated risk-based capital ratio of Athene's non-U.S. reinsurance and U.S. insurance subsidiaries calculated by applying NAIC risk-based capital factors to the statutory financial statements on an aggregate basis, including interests in other non-insurance subsidiary holding companies; with an adjustment in Bermuda and non-insurance holding companies to limit RBC concentration charges such that when they are applied to determine target capital, the charges do not exceed 100% of the asset's carrying value.
Cost of funds	Cost of funds includes liability costs related to cost of crediting on both deferred annuities, including, with respect to our fixed indexed annuities, option costs, and institutional costs related to institutional products, as well as other liability costs, but does not include the proportionate share of the ACRA cost of funds associated with the noncontrolling interest. Other liability costs include DAC, DSI and VOBA amortization, change in market risk benefits, the cost of liabilities on products other than deferred annuities and institutional products, premiums and certain product charges and other revenues. Costs related to business that we have exited through ceded reinsurance transactions are excluded. Cost of funds is computed as the total liability costs divided by the average net invested assets for the relevant period, presented on an annualized basis for interim periods.
CS	Credit Suisse AG
DAC	Deferred acquisition costs
Deferred annuities	Fixed indexed annuities, annual reset annuities, multi-year guaranteed annuities and registered index-linked annuities
Dry Powder	The amount of capital available for investment or reinvestment subject to the provisions of the applicable limited partnership agreements or other governing agreements of the funds, partnerships and accounts we manage. Dry powder excludes uncalled commitments which can only be called for fund fees and expenses and commitments from perpetual capital vehicles.
DSI	Deferred sales inducement
EPF Funds	Apollo European Principal Finance Fund, L.P., Apollo European Principal Finance Fund II (Dollar A), L.P., Apollo European Principal Finance Fund III (Dollar A), L.P., and Apollo European Principal Finance Fund IV (Dollar A), L.P., together with their parallel funds and alternative investment vehicles
EPF III	Apollo European Principal Finance Fund III (Dollar A), L.P., together with its parallel funds and alternative investment vehicles
EPF IV	Apollo European Principal Finance Fund IV (Dollar A), L.P., together with its parallel funds and alternative investment vehicles
Equity Plan	Refers collectively to the Company's 2019 Omnibus Equity Incentive Plan and the Company's 2019 Omnibus Equity Incentive Plan for Estate Planning Vehicles.
FABN	Funding agreement backed notes
FABR	Funding agreement backed repurchase agreement
FCI Funds	Financial Credit Investment I, L.P., Financial Credit Investment II, L.P., together with its feeder funds, Financial Credit Investment Fund III L.P., Financial Credit Investment IV, L.P., together with its feeder funds, and Apollo/Athene Dedicated Investment Program (A), L.P., together with its parallel funds, a series of funds managed by Apollo including third-party capital that, through ACRA, invests alongside Athene in certain investments
Fee-Generating AUM	Fee-Generating AUM consists of assets of the funds, partnerships and accounts to which we provide investment management, advisory, or certain other investment-related services and on which we earn management fees, monitoring fees or other investment-related fees pursuant to management or other fee agreements on a basis that varies among the Apollo funds, partnerships and accounts. Management fees are normally based on "net asset value," "gross assets," "adjusted par asset value," "adjusted cost of all unrealized portfolio investments," "capital commitments," "adjusted assets," "stockholders' equity," "invested capital" or "capital contributions," each as defined in the applicable management agreement. Monitoring fees, also referred to as advisory fees, with respect to the structured portfolio company investments of the funds, partnerships and accounts we manage or advise, are generally based on the total value of such structured portfolio company investments, which normally includes leverage, less any portion of such total value that is already considered in Fee-Generating AUM.
Fee Related Earnings, or FRE	Component of Segment Income that is used to assess the performance of the 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 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.
FIA	Fixed indexed annuity, which is an insurance contract that earns interest at a crediting rate based on a specified index on a tax-deferred basis
Fixed annuities	FIAs together with fixed rate annuities

Former Managing Partners	Messrs. Leon Black, Joshua Harris and Marc Rowan collectively and, when used in reference to holdings of interests in Apollo or AP Professional Holdings, L.P. includes certain related parties of such individuals
Fund X	Apollo Investment Fund X, L.P. (together with its parallel funds and alternative investment vehicles)
Gross capital deployment	The gross capital that has been invested by the funds and accounts we manage during the relevant period, but excludes certain investment activities primarily related to hedging and cash management functions at the firm. Gross capital deployment is not reduced or netted down by sales or refinancings, and takes into account leverage used by the funds and accounts we manage in gaining exposure to the various investments that they have made.
GLWB	Guaranteed lifetime withdrawal benefit
GMDB	Guaranteed minimum death benefit
Gross IRR of accord series and the European principal finance funds	The annualized return of a fund based on the actual timing of all cumulative fund cash flows before management fees, performance fees allocated to the general partner and certain other expenses. Calculations may include certain investors that do not pay fees. The terminal value is the net asset value as of the reporting date. Non-U.S. dollar denominated (“USD”) fund cash flows and residual values are converted to USD using the spot rate as of the reporting date. In addition, gross IRRs at the fund level will differ from those at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Gross IRR does not represent the return to any fund investor.
Gross IRR of a traditional private equity or hybrid value fund	The cumulative investment-related cash flows (i) for a given investment for the fund or funds which made such investment, and (ii) for a given fund, in the relevant fund itself (and not any one investor in the fund), in each case, on the basis of the actual timing of investment inflows and outflows (for unrealized investments assuming disposition on March 31, 2023 or other date specified) aggregated on a gross basis quarterly, and the return is annualized and compounded before management fees, performance fees and certain other expenses (including interest incurred by the fund itself) and measures the returns on the fund’s investments as a whole without regard to whether all of the returns would, if distributed, be payable to the fund’s investors. In addition, gross IRRs at the fund level will differ from those at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Gross IRR does not represent the return to any fund investor.
Gross IRR of infrastructure funds	The cumulative investment-related cash flows in the fund itself (and not any one investor in the fund), on the basis of the actual timing of cash inflows and outflows (for unrealized investments assuming disposition on March 31, 2023 or other date specified) starting on the date that each investment closes, and the return is annualized and compounded before management fees, performance fees, and certain other expenses (including interest incurred by the fund itself) and measures the returns on the fund’s investments as a whole without regard to whether all of the returns would, if distributed, be payable to the fund’s investors. Non-USD fund cash flows and residual values are converted to USD using the spot rate as of the reporting date. In addition, gross IRRs at the fund level will differ from those at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Gross IRR does not represent the return to any fund investor.
Gross Return or Gross ROE of a total return yield fund or the hybrid credit hedge fund	The monthly or quarterly time-weighted return that is equal to the percentage change in the value of a fund’s portfolio, adjusted for all contributions and withdrawals (cash flows) before the effects of management fees, incentive fees allocated to the general partner, or other fees and expenses. Returns for these categories are calculated for all funds and accounts in the respective strategies. Returns over multiple periods are calculated by geometrically linking each period’s return over time. Gross return and gross ROE do not represent the return to any fund investor.
HoldCo	Apollo Global Management, Inc. (f/k/a Tango Holdings, Inc.)
HVF I	Apollo Hybrid Value Fund, L.P., together with its parallel funds and alternative investment vehicles
HVF II	Apollo Hybrid Value Fund II, L.P., together with its parallel funds and alternative investment vehicles
Inflows	(i) At the individual strategy level, subscriptions, commitments, and other increases in available capital, such as acquisitions or leverage, net of inter-strategy transfers, and (ii) on an aggregate basis, the sum of inflows across the yield, hybrid and equity investing strategies.
IPO	Initial Public Offering
ISG	Apollo Insurance Solutions Group LP
ISGI	Refers collectively to Apollo Asset Management Europe LLP, a subsidiary of AAM (“AAME”) and Apollo Asset Management PC LLP, a wholly-owned subsidiary of AAME (“AAME PC”)
Management Fee Offset	Under the terms of the limited partnership agreements for certain funds, the management fee payable by the funds may be subject to a reduction based on a certain percentage of such advisory and transaction fees, net of applicable broken deal costs.
Market risk benefits	Guaranteed lifetime withdrawal benefits and guaranteed minimum death benefits
Merger Agreement	The Agreement and Plan of Merger dated as of March 8, 2021 by and among AAM, AGM, AHL, Blue Merger Sub, Ltd., a Bermuda exempted company, and Green Merger Sub, Inc., a Delaware corporation.
Merger Date	January 1, 2022
MFIC	MidCap Financial Investment Corporation (f/k/a Apollo Investment Corporation or “AINV”)
MidCap Financial	MidCap FinCo Designated Activity Company
Modco	Modified coinsurance

NAIC	National Association of Insurance Commissioners
NAV	Net Asset Value
Net invested assets	The sum of Athene's (a) total investments on the condensed consolidated statements of financial condition, with available-for-sale securities at amortized cost, excluding derivatives, (b) cash and cash equivalents and restricted cash, (c) investments in related parties, (d) accrued investment income, (e) consolidated VIE and VOE assets, liabilities and noncontrolling interest, (f) net investment payables and receivables, (g) policy loans ceded (which offset the direct policy loans in total investments) and (h) an adjustment for the allowance for credit losses. Net invested assets includes investments supporting assumed funds withheld and modco agreements and excludes assets associated with funds withheld liabilities related to business exited through reinsurance agreements and derivative collateral (offsetting the related cash positions). Net invested assets includes Athene's economic ownership of ACRA investments but does not include the investments associated with the noncontrolling interest.
Net investment earned rate	Income from Athene's net invested assets, excluding the proportionate share of the ACRA net investment income associated with the noncontrolling interest, divided by the average net invested assets for the relevant period, presented on an annualized basis for interim periods.
Net investment spread	Net investment spread measures Athene's investment performance plus Athene's strategic capital management fees less Athene's total cost of funds, presented on an annualized basis for interim periods.
Net IRR of accord series and the European principal finance funds	The annualized return of a fund after management fees, performance fees allocated to the general partner and certain other expenses, calculated on investors that pay such fees. The terminal value is the net asset value as of the reporting date. Non-USD fund cash flows and residual values are converted to USD using the spot rate as of the reporting date. In addition, net IRR at the fund level will differ from that at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Net IRR does not represent the return to any fund investor.
Net IRR of a traditional private equity or the hybrid value funds	The gross IRR applicable to a fund, including returns for related parties which may not pay fees or performance fees, net of management fees, certain expenses (including interest incurred or earned by the fund itself) and realized performance fees all offset to the extent of interest income, and measures returns at the fund level on amounts that, if distributed, would be paid to investors of the fund. The timing of cash flows applicable to investments, management fees and certain expenses, may be adjusted for the usage of a fund's subscription facility. To the extent that a fund exceeds all requirements detailed within the applicable fund agreement, the estimated unrealized value is adjusted such that a percentage of up to 20.0% of the unrealized gain is allocated to the general partner of such fund, thereby reducing the balance attributable to fund investors. In addition, net IRR at the fund level will differ from that at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Net IRR does not represent the return to any fund investor.
Net IRR of infrastructure funds	The cumulative cash flows in a fund (and not any one investor in the fund), on the basis of the actual timing of cash inflows received from and outflows paid to investors of the fund (assuming the ending net asset value as of the reporting date or other date specified is paid to investors), excluding certain non-fee and non-performance fee bearing parties, and the return is annualized and compounded after management fees, performance fees, and certain other expenses (including interest incurred by the fund itself) and measures the returns to investors of the fund as a whole. Non-USD fund cash flows and residual values are converted to USD using the spot rate as of the reporting date. In addition, net IRR at the fund level will differ from that at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Net IRR does not represent the return to any fund investor.
Net reserve liabilities	The sum of Athene's (a) interest sensitive contract liabilities, (b) future policy benefits, (c) market risk benefits, (d) long-term repurchase obligations, (e) dividends payable to policyholders and (f) other policy claims and benefits, offset by reinsurance recoverable, excluding policy loans ceded. Net reserve liabilities also includes the reserves related to assumed modco agreements in order to appropriately match the costs incurred in the condensed consolidated statements of operations with the liabilities. Net reserve liabilities is net of the ceded liabilities to third-party reinsurers as the costs of the liabilities are passed to such reinsurers and therefore Athene has no net economic exposure to such liabilities, assuming its reinsurance counterparties perform under its agreements. Net reserve liabilities includes Athene's economic ownership of ACRA reserve liabilities but does not include the reserve liabilities associated with the noncontrolling interest.
Net Return or Net ROE of a total return yield fund or the hybrid credit hedge fund	The gross return after management fees, performance fees allocated to the general partner, or other fees and expenses. Returns over multiple periods are calculated by geometrically linking each period's return over time. Net return and net ROE do not represent the return to any fund investor.
Non-Fee-Generating AUM	AUM that does not produce management fees or monitoring fees. This measure generally includes the following: (i) fair value above invested capital for those funds that earn management fees based on invested capital; (ii) net asset values related to general partner and co-investment interests; (iii) unused credit facilities; (iv) available commitments on those funds that generate management fees on invested capital; (v) structured portfolio company investments that do not generate monitoring fees; and (vi) the difference between gross asset and net asset value for those funds that earn management fees based on net asset value.
NYC UBT	New York City Unincorporated Business Tax

Other operating expenses within the Principal Investing segment	Expenses incurred in the normal course of business and includes allocations of non-compensation expenses related to managing the business.
Other operating expenses within the Retirement Services segment	Expenses incurred in the normal course of business inclusive of compensation and non-compensation expenses.
Payout annuities	Annuities with a current cash payment component, which consist primarily of single premium immediate annuities, supplemental contracts and structured settlements.
PCD	Purchased Credit Deteriorated Investments
Performance allocations, Performance fees, Performance revenues, Incentive fees and Incentive income	The interests granted to Apollo by a fund managed by Apollo that entitle Apollo to receive allocations, distributions or fees which are based on the performance of such fund or its underlying investments.
Performance Fee-Eligible AUM	AUM that may eventually produce performance fees. All funds for which we are entitled to receive a performance fee allocation or incentive fee are included in Performance Fee-Eligible AUM, which consists of the following: (i) "Performance Fee-Generating AUM", which refers to invested capital of the funds, partnerships and accounts we manage, advise, or to which we provide certain other investment-related services, that is currently above its hurdle rate or preferred return, and profit of such funds, partnerships and accounts is being allocated to, or earned by, the general partner in accordance with the applicable limited partnership agreements or other governing agreements; (ii) "AUM Not Currently Generating Performance Fees", which refers to invested capital of the funds, partnerships and accounts we manage, advise, or to which we provide certain other investment-related services, that is currently below its hurdle rate or preferred return; and (iii) "Uninvested Performance Fee-Eligible AUM", which refers to capital of the funds, partnerships and accounts we manage, advise, or to which we provide certain other investment-related services, that is available for investment or reinvestment subject to the provisions of applicable limited partnership agreements or other governing agreements, which capital is not currently part of the NAV or fair value of investments that may eventually produce performance fees allocable to, or earned by, the general partner.
Perpetual capital	Assets under management of certain vehicles with an indefinite duration, which assets may only be withdrawn under certain conditions or subject to certain limitations, including satisfying required hold periods or percentage limits on the amounts that may be redeemed over a particular period. The investment management, advisory or other service agreements with our perpetual capital vehicles may be terminated under certain circumstances.
Principal Investing Income, or PII	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, (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.
Principal investing compensation	Realized performance compensation, distributions related to investment income and dividends, and includes allocations of certain compensation expenses related to managing the business.
Policy loan	A loan to a policyholder under the terms of, and which is secured by, a policyholder's policy.
Realized value	All cash investment proceeds received by the relevant Apollo fund, including interest and dividends, but does not give effect to management fees, expenses, incentive compensation or performance fees to be paid by such Apollo fund.
Redding Ridge	Redding Ridge Asset Management, LLC and its subsidiaries, which is a standalone, self-managed asset management business established in connection with risk retention rules that manages CLOs and retains the required risk retention interests.
Redding Ridge Holdings	Redding Ridge Holdings LP
Remaining Cost	The initial investment of a fund in a portfolio investment, reduced for any return of capital distributed to date on such portfolio investment
RMBS	Residential mortgage-backed securities
RML	Residential mortgage loan
RSUs	Restricted share units
SIA	Strategic investment account
SPACs	Special purpose acquisition companies
Spread Related Earnings, or SRE	Component of Segment Income that is used to assess the performance of the Retirement Services segment, excluding certain market volatility 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.
Surplus assets	Assets in excess of Athene's policyholder obligations, determined in accordance with the applicable domiciliary jurisdiction's statutory accounting principles.

Tax receivable agreement	The tax receivable agreement entered into by and among APO Corp., the Former Managing Partners, the Contributing Partners, and other parties thereto
Total Invested Capital	The aggregate cash invested by the relevant Apollo fund and includes capitalized costs relating to investment activities, if any, but does not give effect to cash pending investment or available for reserves and excludes amounts, if any, invested on a financed basis with leverage facilities
Total Value	The sum of the total Realized Value and Unrealized Value of investments
Traditional private equity funds	Apollo Investment Fund I, L.P. (“Fund I”), AIF II, L.P. (“Fund II”), a mirrored investment account established to mirror Fund I and Fund II for investments in debt securities (“MIA”), Apollo Investment Fund III, L.P. (together with its parallel funds, “Fund III”), Apollo Investment Fund IV, L.P. (together with its parallel fund, “Fund IV”), Apollo Investment Fund V, L.P. (together with its parallel funds and alternative investment vehicles, “Fund V”), Apollo Investment Fund VI, L.P. (together with its parallel funds and alternative investment vehicles, “Fund VI”), Apollo Investment Fund VII, L.P. (together with its parallel funds and alternative investment vehicles, “Fund VII”), Apollo Investment Fund VIII, L.P. (together with its parallel funds and alternative investment vehicles, “Fund VIII”) and Apollo Investment Fund IX, L.P. (together with its parallel funds and alternative investment vehicles, “Fund IX”).
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. RBC	The CAL RBC ratio for AADE, Athene’s parent U.S. insurance company
U.S. Treasury	United States Department of the Treasury
Unrealized Value	The fair value consistent with valuations determined in accordance with GAAP, for investments not yet realized and may include payments in kind, accrued interest and dividends receivable, if any, and before the effect of certain taxes. In addition, amounts include committed and funded amounts for certain investments.
Venerable	Venerable Holdings, Inc., together with its subsidiaries
VIAC	Venerable Insurance and Annuity Company, formerly Voya Insurance and Annuity Company
VIE	Variable interest entity
Vintage Year	The year in which a fund’s final capital raise occurred, or, for certain funds, the year of a fund’s effective date or the year in which a fund’s investment period commences pursuant to its governing agreements.
VOBA	Value of business acquired
VOE	Voting interest entity
WACC	Weighted average cost of capital

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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APOLLO GLOBAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED)

<i>(In millions, except share data)</i>	As of March 31, 2023	As of December 31, 2022
Assets		
Asset Management		
Cash and cash equivalents	\$ 1,255	\$ 1,201
Restricted cash and cash equivalents	1,061	1,048
Investments	5,596	5,582
Assets of consolidated variable interest entities		
Cash and cash equivalents	123	110
Investments	1,763	2,369
Other assets	32	30
Due from related parties	464	465
Goodwill	264	264
Other assets	2,409	2,333
	<u>12,967</u>	<u>13,402</u>
Retirement Services		
Cash and cash equivalents	13,844	7,779
Restricted cash and cash equivalents	1,148	628
Investments	176,466	172,488
Investments in related parties	26,764	23,960
Assets of consolidated variable interest entities		
Cash and cash equivalents	654	362
Investments	16,061	15,699
Other assets	111	112
Reinsurance recoverable	4,229	4,358
Deferred acquisition costs, deferred sales inducements and value of business acquired	4,836	4,466
Goodwill	4,061	4,058
Other assets	9,183	9,905
	<u>257,357</u>	<u>243,815</u>
Total Assets	<u><u>\$ 270,324</u></u>	<u><u>\$ 257,217</u></u>

(Continued)

See accompanying notes to the unaudited condensed consolidated financial statements.

APOLLO GLOBAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED)

<i>(In millions, except share data)</i>	As of March 31, 2023	As of December 31, 2022
Liabilities, Redeemable non-controlling interests and Equity		
Liabilities		
Asset Management		
Accounts payable, accrued expenses, and other liabilities	\$ 3,189	\$ 2,975
Due to related parties	980	998
Debt	2,814	2,814
Liabilities of consolidated variable interest entities		
Notes payable	43	50
Other liabilities	1,252	1,899
	<u>8,278</u>	<u>8,736</u>
Retirement Services		
Interest sensitive contract liabilities	181,100	173,616
Future policy benefits	42,490	42,110
Market risk benefits	3,203	2,970
Debt	3,650	3,658
Payables for collateral on derivatives and securities to repurchase	10,196	6,707
Other liabilities	2,831	3,213
Liabilities of consolidated variable interest entities		
Other liabilities	842	809
	<u>244,312</u>	<u>233,083</u>
Total Liabilities	<u>252,590</u>	<u>241,819</u>
Commitments and Contingencies (note 18)		
Redeemable non-controlling interests		
Redeemable non-controlling interests	1,042	1,032
Equity		
Common Stock, \$0.00001 par value, 90,000,000,000 shares authorized, 567,394,604 and 570,276,188 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	—	—
Additional paid in capital	14,408	14,982
Retained earnings (accumulated deficit)	(172)	(1,007)
Accumulated other comprehensive income (loss)	(6,162)	(7,335)
Total Apollo Global Management, Inc. Stockholders' Equity	8,074	6,640
Non-controlling interests	8,618	7,726
Total Equity	<u>16,692</u>	<u>14,366</u>
Total Liabilities, Redeemable non-controlling interests and Equity	<u>\$ 270,324</u>	<u>\$ 257,217</u>

(Concluded)

See accompanying notes to the unaudited condensed consolidated financial statements.

APOLLO GLOBAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three months ended March 31,	
	2023	2022
<i>(In millions, except per share data)</i>		
Revenues		
Asset Management		
Management fees	\$ 414	\$ 336
Advisory and transaction fees, net	155	66
Investment income (loss)	452	701
Incentive fees	15	6
	<u>1,036</u>	<u>1,109</u>
Retirement Services		
Premiums	96	2,110
Product charges	198	166
Net investment income	2,612	1,731
Investment related gains (losses)	1,065	(4,230)
Revenues of consolidated variable interest entities	281	(21)
Other revenues	13	(3)
	<u>4,265</u>	<u>(247)</u>
Total Revenues	<u>5,301</u>	<u>862</u>
Expenses		
Asset Management		
Compensation and benefits	670	734
Interest expense	31	32
General, administrative and other	197	148
	<u>898</u>	<u>914</u>
Retirement Services		
Interest sensitive contract benefits	1,289	(99)
Future policy and other policy benefits	466	2,184
Market risk benefits remeasurement (gains) losses	346	(622)
Amortization of deferred acquisition costs, deferred sales inducements and value of business acquired	138	98
Policy and other operating expenses	437	309
	<u>2,676</u>	<u>1,870</u>
Total Expenses	<u>3,574</u>	<u>2,784</u>
Other income (loss) – Asset Management		
Net gains (losses) from investment activities	(2)	34
Net gains (losses) from investment activities of consolidated variable interest entities	34	367
Other income (loss), net	32	(23)
Total Other income (loss)	<u>64</u>	<u>378</u>
Income (loss) before income tax (provision) benefit	<u>1,791</u>	<u>(1,544)</u>
Income tax (provision) benefit	(253)	485
Net income (loss)	<u>1,538</u>	<u>(1,059)</u>
Net (income) loss attributable to non-controlling interests	(528)	658
Net income (loss) attributable to Apollo Global Management, Inc. common stockholders	<u>\$ 1,010</u>	<u>\$ (401)</u>
Earnings (loss) per share		
Net income (loss) attributable to common stockholders - Basic	\$ 1.67	\$ (0.70)
Net income (loss) attributable to common stockholders - Diluted	\$ 1.66	\$ (0.70)
Weighted average shares outstanding – Basic	584.1	586.5
Weighted average shares outstanding – Diluted	584.2	586.5

See accompanying notes to the unaudited condensed consolidated financial statements.

APOLLO GLOBAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Net income (loss)	\$ 1,538	\$ (1,059)
Other comprehensive income (loss), before tax		
Unrealized investment gains (losses) on available-for-sale securities	2,099	(6,698)
Unrealized gains (losses) on hedging instruments	104	(127)
Remeasurement gains (losses) on future policy benefits related to discount rate	(802)	3,562
Remeasurement gains (losses) on market risk benefits related to credit risk	89	397
Foreign currency translation and other adjustments	22	(9)
Other comprehensive income (loss), before tax	1,512	(2,875)
Income tax expense (benefit) related to other comprehensive income (loss)	290	(615)
Other comprehensive income (loss)	1,222	(2,260)
Comprehensive income (loss)	2,760	(3,319)
Comprehensive (income) loss attributable to non-controlling interests	(577)	603
Comprehensive income (loss) attributable to Apollo Global Management, Inc.	\$ 2,183	\$ (2,716)

See accompanying notes to the unaudited condensed consolidated financial statements.

APOLLO GLOBAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (UNAUDITED)

For the three months ended March 31, 2022									
Apollo Global Management, Inc. Stockholders									
(In millions)	Common Stock	Series A Preferred Stock	Series B Preferred Stock	Additional Paid in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Apollo Global Management, Inc. Stockholders' Equity (Deficit)	Non-Controlling Interests	Total Equity
Balance at January 1, 2022	249	\$ 264	\$ 290	\$ 2,096	\$ 1,144	\$ (5)	\$ 3,789	\$ 6,405	\$ 10,194
Merger with Athene	166	—	—	13,050	—	—	13,050	4,942	17,992
Issuance of warrants	—	—	—	149	—	—	149	—	149
Reclassification of preferred stock to non-controlling interests	—	(264)	(290)	—	—	—	(554)	554	—
Consolidation/Deconsolidation of VIEs	—	—	—	—	—	—	—	(2,848)	(2,848)
Issuance of common stock related to equity transactions	—	—	—	21	—	—	21	—	21
Accretion of redeemable non-controlling interests	—	—	—	(20)	—	—	(20)	—	(20)
Capital increase related to equity-based compensation	—	—	—	141	—	—	141	—	141
Capital contributions	—	—	—	—	—	—	—	3,012	3,012
Dividends/Distributions	—	—	—	(12)	(229)	—	(241)	(600)	(841)
Payments related to issuances of common stock for equity-based awards	3	—	—	28	(138)	—	(110)	—	(110)
Repurchase of common stock	(4)	—	—	(226)	—	—	(226)	—	(226)
Exchange of AOG Units for common stock	156	—	—	535	—	—	535	(2,591)	(2,056)
Net income (loss)	—	—	—	—	(401)	—	(401)	(658)	(1,059)
Other comprehensive income (loss)	—	—	—	—	—	(2,315)	(2,315)	55	(2,260)
Balance at March 31, 2022	570	\$ —	\$ —	\$ 15,762	\$ 376	\$ (2,320)	\$ 13,818	\$ 8,271	\$ 22,089

For the three months ended March 31, 2023									
Apollo Global Management, Inc. Stockholders									
(In millions)	Common Stock	Additional Paid in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Apollo Global Management, Inc. Stockholders' Equity (Deficit)	Non-Controlling Interests	Total Equity		
Balance at January 1, 2023	570	\$ 14,982	\$ (1,007)	\$ (7,335)	\$ 6,640	\$ 7,726	\$ 14,366		
Other changes in equity of non-controlling interests	—	—	—	—	—	(119)	(119)		
Accretion of redeemable non-controlling interests	—	(10)	—	—	(10)	—	(10)		
Capital increase related to equity-based compensation	—	122	—	—	122	—	122		
Capital contributions	—	—	—	—	—	617	617		
Dividends/Distributions	—	(241)	—	—	(241)	(183)	(424)		
Payments related to issuances of common stock for equity-based awards	4	15	(175)	—	(160)	—	(160)		
Repurchase of common stock	(7)	(460)	—	—	(460)	—	(460)		
Net income (loss)	—	—	1,010	—	1,010	528	1,538		
Other comprehensive income (loss)	—	—	—	1,173	1,173	49	1,222		
Balance at March 31, 2023	567	\$ 14,408	\$ (172)	\$ (6,162)	\$ 8,074	\$ 8,618	\$ 16,692		

See accompanying notes to the unaudited condensed consolidated financial statements.

APOLLO GLOBAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Cash Flows from Operating Activities		
Net Income (Loss)	\$ 1,538	\$ (1,059)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Equity-based compensation	140	168
Net investment income	(474)	(478)
Net recognized (gains) losses on investments and derivatives	(2,057)	1,671
Depreciation and amortization	165	106
Net amortization of net investment premiums, discount and other	30	73
Policy acquisition costs deferred	(375)	(214)
Other non-cash amounts included in net income (loss), net	66	42
Changes in consolidation	(51)	(946)
Changes in operating assets and liabilities:		
Purchases of investments by Funds and VIEs	(1,213)	(6,033)
Proceeds from sale of investments by Funds and VIEs	1,861	1,812
Interest sensitive contract liabilities	2,229	(548)
Future policy benefits, market risk benefits and reinsurance recoverable	64	(776)
Other assets and liabilities, net	(852)	2,189
Net cash provided by (used in) operating activities	\$ 1,071	\$ (3,993)
Cash Flows from Investing Activities		
Purchases of investments and contributions to equity method investments	\$ (1,397)	\$ (135)
Purchases of available-for-sale securities	(6,668)	(11,100)
Purchases of mortgage loans	(2,930)	(4,258)
Purchases of investment funds	(464)	(2,200)
Purchases of U.S. Treasury securities	(244)	(1,517)
Purchases of derivatives instruments and other investments	(725)	(736)
Sales, maturities and repayments of investments and distributions from equity method investments	6,329	13,555
Cash acquired through merger	—	10,429
Other investing activities, net	459	(935)
Net cash provided by (used in) investing activities	\$ (5,640)	\$ 3,103
Cash Flows from Financing Activities		
Issuance of debt	\$ 1,203	\$ 3,656
Repayment of debt	(1,858)	(695)
Repurchase of common stock	(458)	(226)
Common stock dividends	(241)	(229)
Distributions paid to non-controlling interests	(183)	(633)
Contributions from non-controlling interests	617	3,382
Deposits on investment-type policies and contracts	12,006	8,342
Withdrawals on investment-type policies and contracts	(2,707)	(2,245)
Net change in cash collateral posted for derivative transactions and securities to repurchase	3,489	27
Other financing activities, net	(345)	(139)
Net cash provided by financing activities	\$ 11,523	\$ 11,240
Effect of exchange rate changes on cash and cash equivalents	3	(4)
Net Increase in Cash and Cash Equivalents, Restricted Cash and Cash Equivalents, and Cash and Cash Equivalents Held at Consolidated Variable Interest Entities	6,957	10,346
Cash and Cash Equivalents, Restricted Cash and Cash Equivalents, and Cash and Cash Equivalents Held at Consolidated Variable Interest Entities, Beginning of Period	11,128	2,088
Cash and Cash Equivalents, Restricted Cash and Cash Equivalents, and Cash and Cash Equivalents Held at Consolidated Variable Interest Entities, End of Period	\$ 18,085	\$ 12,434

(Continued)

APOLLO GLOBAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In millions)	Three months ended March 31,	
	2023	2022
Supplemental Disclosure of Cash Flow Information		
Cash paid for taxes	\$ 35	\$ 25
Cash paid for interest	169	203
Non-cash transactions		
Non-Cash Investing Activities		
Asset Management and Other		
Distributions from principal investments	2	93
Retirement Services		
Investments received from settlements on reinsurance agreements	71	—
Investments received from pension group annuity premiums	—	1,759
Non-Cash Financing Activities		
Asset Management and Other		
Capital increases related to equity-based compensation	110	133
Issuance of restricted shares	14	—
Retirement Services		
Deposits on investment-type policies and contracts through reinsurance agreements	27	563
Withdrawals on investment-type policies and contracts through reinsurance agreements	3,029	1,774
Supplemental Disclosure of Cash Flow Information of Consolidated VIEs		
Cash Flows from Operating Activities		
Purchases of investments - Asset Management	(1,213)	(6,033)
Proceeds from sale of investments - Asset Management	1,861	1,812
Cash Flows from Investing Activities		
Purchases of investments - Retirement Services	(442)	(3)
Proceeds from sale of investments - Retirement Services	207	168
Purchase of U.S. Treasury Securities	—	(817)
Proceeds from maturities of U.S. Treasury Securities	—	1,162
Cash Flows from Financing Activities		
Issuance of debt	1,203	3,656
Principal repayment of debt	(1,860)	(695)
Distributions paid to non-controlling interests	—	(592)
Contributions from non-controlling interests	617	2,630
Changes in Consolidation		
Investments, at fair value	(48)	(15,968)
Other assets	(1)	(184)
Debt, at fair value	—	9,350
Notes payable	—	2,611
Other liabilities	—	529
Non-controlling interest	5	4,608
Equity	95	—
Reconciliation of Cash and Cash Equivalents, Restricted Cash and Cash Equivalents, and Cash and Cash Equivalents Held at Consolidated Variable Interest Entities to the Condensed Consolidated Statements of Financial Condition:		
Cash and cash equivalents	\$ 15,099	\$ 9,769
Restricted cash and cash equivalents	2,209	1,872
Cash and cash equivalents held at consolidated variable interest entities	777	793
Total Cash and Cash Equivalents, Restricted Cash and Cash Equivalents, and Cash and Cash Equivalents Held at Consolidated Variable Interest Entities	\$ 18,085	\$ 12,434

(Concluded)

See accompanying notes to the unaudited condensed consolidated financial statements.

APOLLO GLOBAL MANAGEMENT, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Organization

Apollo Global Management, Inc. together with its consolidated subsidiaries (collectively, “Apollo” or the “Company”) is a high-growth, global alternative asset manager and a retirement services provider. Its asset management business focuses on three investing strategies: yield, hybrid and equity. Through its asset management business, Apollo raises, invests and manages funds, accounts and other vehicles, on behalf of some of the world’s most prominent pension, endowment and sovereign wealth funds and insurance companies, as well as other institutional and individual investors. Apollo’s retirement services business is conducted by Athene, a leading financial services company that specializes in issuing, reinsuring and acquiring retirement savings products for the increasing number of individuals and institutions seeking to fund retirement needs.

Merger with Athene

On January 1, 2022, Apollo and Athene completed the previously announced merger transactions pursuant to the Merger Agreement (the “Mergers”). As a result of the Mergers, AAM and AHL became consolidated subsidiaries of AGM.

Athene’s results are included in the condensed consolidated financial statements commencing from the Merger Date. References herein to “Apollo” and the “Company” refer to AGM and its subsidiaries, including Athene, unless the context requires otherwise such as in sections where it refers to the asset management business only. See note 4 for additional information.

Corporate Recapitalization

In connection with the closing of the Mergers, the Company completed a corporate recapitalization (the “Corporate Recapitalization”) which resulted in the recapitalization of the Company from an umbrella partnership C corporation (“Up-C”) structure to a corporation with a single class of common stock with one vote per share.

Griffin Capital Acquisitions

On March 1, 2022, the company completed the acquisition of Griffin Capital’s U.S. wealth distribution business. On May 3, 2022, the Company completed the acquisition of the U.S. asset management business of Griffin Capital in exchange for closing consideration of \$213 million and contingent consideration of \$64 million, substantially all of which was settled in shares of AGM common stock, per the transaction agreement signed December 2, 2021. As a result of the final close, the Griffin Institutional Access Real Estate Fund and the Griffin Institutional Access Credit Fund are advised by Apollo and have been renamed the Apollo Diversified Real Estate Fund and Apollo Diversified Credit Fund, respectively.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements are prepared in accordance with U.S. GAAP. These condensed consolidated financial statements should be read in conjunction with the annual financial statements included in the 2022 Annual Report. Certain disclosures included in the annual financial statements have been condensed or omitted as they are not required for interim financial statements under U.S. GAAP and the rules of the SEC. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year.

The results of the Company and its subsidiaries are presented on a consolidated basis. Any ownership interest other than the Company’s interest in its subsidiaries is reflected as a non-controlling interest. Intercompany accounts and transactions have been eliminated. Management believes it has made all necessary adjustments (consisting only of normal recurring items) so that the condensed consolidated financial statements are presented fairly and that any estimates made are reasonable and prudent. Certain reclassifications have been made to previously reported amounts to conform to the current period’s presentation.

Furthermore, in conjunction with the Mergers, Apollo was deemed to be the accounting acquirer and Athene the accounting acquiree, which, for financial reporting purposes, results in Apollo’s historical financial information prior to the Mergers

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becoming that of the Company. Athene's results before the Mergers have not been included in the condensed consolidated financial statements of the Company. The condensed consolidated financial statements include the assets, liabilities, operating results and cash flows of Athene from the date of acquisition. For information on Athene prior to the Mergers, please refer to the annual financial statements included in AHL's annual report on Form 10-K for the year ended December 31, 2022.

The Company's principal subsidiaries, AAM and AHL, together with their subsidiaries, operate an asset management business and a retirement services business, respectively, which possess distinct characteristics. As a result, the Company's financial statement presentation is organized into two tiers: asset management and retirement services. The Company believes that separate presentation provides a more informative view of the Company's consolidated financial condition and results of operations than an aggregated presentation.

The following summary of significant accounting policies first includes those most significant to the overall Company and then specific accounting policies for each of the asset management and retirement services businesses, respectively.

Significant Accounting Policies— Overall

Consolidation

The Company consolidates entities where it has a controlling financial interest unless there is a specific scope exception that prevents consolidation. The types of entities with which the Company is involved generally include, but are not limited to:

- subsidiaries, which includes AAM and its subsidiaries, including management companies and general partners of funds that the Company manages, and AHL and its subsidiaries
- funds, including entities that have attributes of an investment company
- SPACs
- CLOs

Each of these entities is assessed for consolidation based on its specific facts and circumstances. In determining whether to consolidate an entity, the Company first evaluates whether the entity is a VIE or a VOE and applies the appropriate consolidation model as discussed below. If an entity is not consolidated, then the Company's investment is generally accounted for under the equity method of accounting or as a financial instrument as discussed in the related policy discussions below.

Investment Companies

Judgment is required to evaluate whether an entity has the necessary characteristics to be accounted for as an investment company. The funds managed by the Company that meet the investment company criteria are generally not required to consolidate operating companies and generally reflect their investments in operating companies and other investment companies at fair value. The Company has retained this specialized accounting for investment companies in consolidation.

Variable Interest Entities

All entities are first considered under the VIE model. VIEs are entities that 1) do not have sufficient equity at risk to finance their activities without additional subordinated financial support or 2) have equity investors at risk that do not have the ability to make significant decisions related to the entity's operations, absorb expected losses, or receive expected residual returns.

The Company consolidates a VIE if it is the primary beneficiary of the entity. The Company is deemed the primary beneficiary when it has a controlling financial interest in the VIE, which is defined as possessing both (i) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance ("primary beneficiary power") and (ii) the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant ("significant variable interest"). The Company performs the VIE and primary beneficiary assessment at inception of its involvement with a VIE and on an ongoing basis if facts and circumstances change.

To assess whether the Company has the primary beneficiary power under the VIE consolidation model, it considers the design of the entity as well as ongoing rights and responsibilities. In general, the parties that can make the most significant decisions regarding asset management have control over servicing, liquidation rights or the unilateral right to remove the decision-makers. To assess whether the Company has a significant variable interest, the Company considers all its economic interests

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that are considered variable interests in the entity, including interests held through related parties. This assessment requires judgment in considering whether those interests are significant.

Assets and liabilities of the consolidated VIEs, other than SPACs, are primarily shown in separate sections within the condensed consolidated statements of financial condition. Changes in the fair value of the consolidated VIEs' assets and liabilities and related interest, dividend and other income and expenses are primarily presented within net gains from investment activities of consolidated variable interest entities in the condensed consolidated statements of operations. The portion attributable to non-controlling interests is reported within net income attributable to non-controlling interests in the condensed consolidated statements of operations. For additional disclosures regarding VIEs, see notes 7 and 17.

Voting Interest Entities

Entities that are not determined to be VIEs are generally considered VOEs. Under the voting interest model, the Company consolidates those entities it controls through a majority voting interest. The Company does not consolidate those VOEs in which substantive kick-out rights have been granted to the unrelated investors to either dissolve the fund or remove the general partner.

Non-controlling Interests

For entities that are consolidated, but not wholly owned, a portion of the income or loss and corresponding equity is allocated to owners other than the Company. The aggregate of the income or loss and corresponding equity that is not owned by the Company is included in non-controlling interests in the condensed consolidated financial statements. Non-controlling interests also include ownership interests in certain consolidated funds and VIEs.

Non-controlling interests are presented as a separate component of equity on the Company's condensed consolidated statements of financial condition. Net income (loss) includes the net income (loss) attributable to the holders of non-controlling interests on the Company's condensed consolidated statements of operations. Profits and losses are allocated to non-controlling interests in proportion to their relative ownership interests regardless of their basis.

Use of Estimates

The preparation of the condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts in the financial statements and related footnotes. The Company's most significant estimates include goodwill and intangible assets, income taxes, performance allocations, incentive fees, non-cash compensation, fair value of investments (including derivatives) and debt, impairment of investments and allowances for expected credit losses, and future policy benefit reserves. While such impact may change considerably over time, the estimates and assumptions affecting the Company's condensed consolidated financial statements are based on the best available information as of March 31, 2023. Actual results could differ materially from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid short-term investments, including money market funds and U.S. Treasury securities, with original maturities of three months or less when purchased to be cash equivalents. Interest income from cash and cash equivalents is recorded in other income for asset management and net investment income for retirement services in the condensed consolidated statements of operations. The carrying values of the money market funds and U.S. Treasury securities represent their fair values due to their short-term nature. Substantially all of the Company's cash on deposit is in interest bearing accounts with major financial institutions and exceed insured limits.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents represent balances that are restricted as to withdrawal or usage.

Restricted cash consists of cash and cash equivalents held in funds in trust as part of certain coinsurance agreements to secure statutory reserves and liabilities of the coinsured parties. Restricted cash also includes cash deposited at a bank that is pledged as collateral in connection with leased premises.

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Restricted cash and cash equivalents also consists of money market funds and U.S. Treasury bills with original maturities of three months or less, that were purchased with funds raised through the respective initial public offerings of APSG II and Acropolis Infrastructure Acquisition Corp. (“Acropolis”), both SPACs sponsored by Apollo. The restricted cash and cash equivalents may only be used for purposes of completing an initial business combination or redemption of public shares as set forth in the respective trust agreements.

Foreign Currency

The Company holds foreign currency denominated assets and liabilities. Non-monetary assets and liabilities of the Company’s international subsidiaries are remeasured into the functional currency using historical exchange rates specific to each asset and liability, the exchange rates prevailing at the end of each reporting period are used for all others. The results of the Company’s foreign operations are remeasured using an average exchange rate for the respective reporting period. Currency remeasurement adjustments and gains and losses on the settlement of foreign currency translations are included within other income (loss), net for asset management or investment related gains (losses) for retirement services in the condensed consolidated statements of operations. Foreign currency denominated assets and liabilities are translated into the reporting currency using the exchange rates prevailing at the end of each reporting period. Currency translation adjustments are included within other comprehensive income (loss), before tax within the condensed consolidated statements of comprehensive income (loss). The change in unrealized foreign currency exchange of any non-U.S. dollar denominated available-for-sale (“AFS”) securities are included in other comprehensive income (“OCI”) unless they are designated as part of a fair value hedge.

Investments

Equity Method Investments

For investments in entities over which the Company exercises significant influence but does not meet the requirements for consolidation and has not elected the fair value option, the Company uses the equity method of accounting. Under the equity method of accounting, the Company records its share of the underlying income or loss of such entities adjusted for distributions. The Company’s share of the underlying net income or loss of such entities is recorded in Investment income (loss) for asset management and Net investment income for retirement services in the condensed consolidated statements of operations.

The carrying amounts of equity method investments are recorded in investments in the condensed consolidated statements of financial condition. Generally, the underlying entities that the Company manages and invests in are primarily investment companies, and the carrying value of the Company’s equity method investments approximates fair value.

Reverse Repurchase Agreements and Repurchase Agreements

A reverse repurchase agreement is a transaction in which the Company purchases financial instruments from a seller and simultaneously enters into an agreement to resell the same or substantially the same financial instruments to the seller at a fixed and determinable price at a future date. A repurchase agreement is a transaction in which the Company sells financial instruments to a buyer, typically in exchange for cash, and simultaneously enters into an agreement to repurchase the same or substantially the same financial instruments from the buyer at a fixed and determinable price at a future date.

Although reverse repurchase and repurchase agreements generally involve the legal transfer of ownership of financial instruments, they are accounted for as financing arrangements because they require the financial instruments to be resold or repurchased before or at the maturity of the agreement. As a result, the collateral received under reverse repurchase agreements are not recognized and the collateral pledged under repurchase agreements are not derecognized in the condensed consolidated statements of financial condition.

Within asset management, reverse repurchase and repurchase agreements generally sit within consolidated VIEs and as such, those reverse repurchase and repurchase agreements are reflected as investments and other liabilities, respectively, within the consolidated VIE section of the statements of financial condition. Additionally, the income (loss) related to those reverse repurchase and repurchase agreements from consolidated VIEs are included in Net gains (losses) from investment activities of consolidated variable interest entities on the condensed consolidated statements of operations. Reverse repurchase agreements with asset management are generally accounted for by electing the fair value option. For retirement services, the receivable under the reverse repurchase agreement is recorded as investment for the principal amount loaned under the agreement and the payable under a repurchase agreement is recognized as payables for collateral on derivatives and securities to repurchase on the

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condensed consolidated statements of financial condition. Earnings from reverse repurchase agreements are included in net investment income for retirement services on the condensed consolidated statements of operations.

For reverse repurchase agreements, the Company generally requires collateral with a fair value at least equal to the carrying value of the loaned amount, monitors the market value of the collateral on a periodic basis, and delivers or obtains additional collateral due to changes in the fair value of the collateral, as appropriate, in order to mitigate credit exposure.

Financial Instruments held by Consolidated VIEs

The consolidated VIEs managed by the Company are primarily investment companies and CLOs. Their investments include debt and equity securities held at fair value and reverse repurchase agreements. Financial instruments are generally accounted for on a trade date basis.

Under a measurement alternative permissible for consolidated collateralized financing entities, the Company measures both the financial assets and financial liabilities of consolidated CLOs in its condensed consolidated financial statements in both cases using the fair value of the financial assets or financial liabilities, whichever are more observable.

Where financial assets are more observable, the financial assets of the consolidated CLOs are measured at fair value and the financial liabilities are measured in consolidation as: (i) the sum of the fair value of the financial assets and the carrying value of any non-financial assets that are incidental to the operations of the CLOs less (ii) the sum of the fair value of any beneficial interests retained by the Company (other than those that represent compensation for services) and the Company's carrying value of any beneficial interests that represent compensation for services. The resulting amount is allocated to the individual financial liabilities (other than the beneficial interest retained by the Company) using a reasonable and consistent methodology.

Where financial liabilities are more observable, the financial liabilities of the consolidated CLOs are measured at fair value and the financial assets are measured in consolidation as: (i) the sum of the fair value of the financial liabilities, and the carrying value of any non-financial liabilities that are incidental to the operations of the CLOs less (ii) the carrying value of any non-financial assets that are incidental to the operations of the CLOs. The resulting amount is allocated to the individual financial assets using a reasonable and consistent methodology.

Net income attributable to Apollo Global Management, Inc. reflects the Company's own economic interests in the consolidated CLOs, including (i) changes in the fair value of the beneficial interests retained by the Company and (ii) beneficial interests that represent compensation for collateral management services.

Certain consolidated VIEs have applied the fair value option for certain investments in private debt securities that otherwise would not have been carried at fair value with gains and losses in net income.

Fair Value of Financial Instruments

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date under current market conditions. The actual realized gains or losses will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may ultimately differ significantly from the assumptions on which the valuations were based.

Fair Value Option

Entities are permitted to elect the fair value option ("FVO") to carry at fair value certain financial assets and financial liabilities, including investments otherwise accounted for under the equity method of accounting. The FVO election is irrevocable and is applied to financial instruments on an individual basis at initial recognition or at eligible remeasurement events. Please refer to note 5 for additional information and other instances of when the Company has elected the FVO.

Fair Value Hierarchy

U.S. GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Market price observability is affected by a number of factors, including the type of financial instrument, the characteristics specific to the financial instrument and the state of the marketplace,

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including the existence and transparency of transactions between market participants. Financial instruments with readily available quoted prices in active markets generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

Level 1 – Quoted prices are available in active markets for identical financial instruments as of the reporting date. The Company does not adjust the quoted price for these financial instruments, even in situations where the Company holds a large position and the sale of such position would likely deviate from the quoted price.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. These financial instruments exhibit higher levels of liquid market observability as compared to Level 3 financial instruments.

Level 3 – Pricing inputs are unobservable for the financial instrument and includes situations where there is little observable market activity for the financial instrument. The inputs into the determination of fair value may require significant management judgment or estimation. Financial instruments that are included in this category generally include investments where the fair value is based on observable inputs as well as unobservable inputs.

When a security is valued based on broker quotes, the Company subjects those quotes to various criteria in making the determination as to whether a particular financial instrument would qualify for classification as Level 2 or Level 3. These criteria include, but are not limited to, the number and quality of the broker quotes, the standard deviations of the observed broker quotes, and the percentage deviation from external pricing services.

Investments in securities that are traded on a securities exchange or comparable over-the-counter quotation systems are valued based on the last reported sale price at that date. If no sales of such investments are reported on such date, and in the case of over-the-counter securities or other investments for which the last sale date is not available, valuations are based on independent market quotations obtained from market participants, recognized pricing services or other sources deemed relevant, and the prices are based on the average of the “bid” and “ask” prices, or at ascertainable prices at the close of business on such day. Market quotations are generally based on valuation pricing models or market transactions of similar securities adjusted for security-specific factors such as relative capital structure priority and interest and yield risks, among other factors. When market quotations are not available, a model-based approach is used to determine fair value.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, a financial instrument’s level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Company’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the financial instrument when the fair value is based on unobservable inputs.

Business Combinations

The Company accounts for business combinations using the acquisition method of accounting where the consideration transferred for the acquisition is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date. Contingent consideration obligations that are elements of the consideration transferred are recognized as of the acquisition date as part of the fair value transferred in exchange for the acquired business. Acquisition-related costs incurred in connection with a business combination are expensed as incurred.

Compensation and Benefits

Compensation consists of (i) salary, bonus, and benefits, which includes base salaries, discretionary and non-discretionary bonuses, severance and employee benefits, (ii) equity-based awards granted to employees and non-employees that are measured based on the grant date fair value of the award and (iii) profit sharing expense, which primarily consists of a portion of performance revenues earned from certain funds that are allocated to employees and former employees. Compensation costs are recorded in compensation and benefits for asset management and policy and other operating expense for retirement services in the condensed consolidated statements of operations.

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Employees and non-employees who provide services to the Company are granted equity-based awards as compensation that are measured based on the grant date fair value of the award. Equity-based awards that do not require future service (i.e., vested awards) are expensed immediately. Equity-based employee awards that require future service are expensed over the relevant period of service. Equity-based awards that require performance metrics to be met are expensed only when the performance metric is met or deemed probable. Profit sharing amounts are recognized as the related performance revenues are earned. Accordingly, profit sharing amounts can be reversed during periods when there is a decline in performance revenues that were previously recognized. Profit sharing amounts are generally not paid until the related performance revenue is distributed to the general partner upon realization of the fund's investments (which may be distributed in cash or in-kind).

Earnings Per Share

As the Company has issued participating securities, the two-class method of computing earnings per share is used for all periods presented for common stock and participating securities as if all earnings for the period had been distributed. Under the two-class method, during periods of net income, the net income is first reduced for distributions declared on all classes of securities to arrive at undistributed earnings. During periods of net losses, the net loss is reduced for distributions declared on participating securities only if the security has the right to participate in the earnings of the entity and an objectively determinable contractual obligation to share in net losses of the entity. Participating securities include vested and unvested RSUs that participate in distributions, as well as unvested restricted shares.

Whether during a period of net income or net loss, under the two-class method the remaining earnings are allocated to common stock and participating securities to the extent that each security shares in earnings as if all of the earnings for the period had been distributed. Earnings or losses allocated to each class of security are then divided by the applicable weighted average outstanding shares to arrive at basic earnings per share. For the diluted earnings, the denominator includes all outstanding shares of common stock and includes the number of additional shares of common stock that would have been outstanding if the dilutive potential shares of common stock had been issued. The numerator is adjusted for any changes in income or loss that would result from the issuance of these potential shares of common stock.

Share Repurchase

When shares are repurchased, the Company can choose to record treasury shares or account for the repurchase as a constructive retirement. The Company accounted for share repurchases as constructive retirement, whereby it reduced common stock and additional paid-in capital by the amount of the original issuance, with any excess purchase price recorded as a reduction to retained earnings. Under this method, issued and outstanding shares are reduced by the shares repurchased, and no treasury stock is recognized on the condensed consolidated statements of financial condition.

Income Taxes

AGM is a Delaware corporation and generally all of its income is subject to U.S. corporate income taxes. Certain subsidiaries of the Company operate as partnerships for U.S. income tax purposes and are subject to NYC UBT. Certain non-U.S. entities are also subject to non-U.S. corporate income taxes. In conjunction with the Mergers, Apollo underwent a reorganization from an Up-C structure to a C-corporation with a single class of common stock. Athene, and certain of its non-U.S. subsidiaries, are Bermuda exempted companies that have historically not been subject to U.S. corporate income taxes on their earnings. Due to the Mergers, Athene's non-U.S. earnings will generally be subject to U.S. corporate income taxes.

Significant judgment is required in determining tax expense and in evaluating certain and uncertain tax positions. The Company recognizes the tax benefit of uncertain tax positions only where the position is "more likely than not" to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit is measured as the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. If a tax position is not considered more likely than not to be sustained, then no benefits of the position are recognized. The Company's tax positions are reviewed and evaluated quarterly to determine whether the Company has uncertain tax positions that require financial statement recognition.

Deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amount of assets and liabilities and their respective tax bases using currently enacted tax rates. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period during which the change is enacted. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that all or a portion of the deferred tax assets will not

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be realized.

Significant judgment and estimates are required in determining whether valuation allowances should be established as well as the amount of such allowances. When making such determination, consideration is given to, among other things, the following:

- whether sufficient taxable income exists within the allowed carryback or carryforward periods;
- whether future reversals of existing taxable temporary differences will occur, including any tax planning strategies that could be used;
- the nature or character (e.g., ordinary vs. capital) of the deferred tax assets and liabilities; and
- whether future taxable income exclusive of reversing temporary differences and carryforwards exists.

Recently Issued Accounting Pronouncements

Fair Value Measurement — Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions (ASU 2022-03)

In June 2022, the Financial Accounting Standards Board (“FASB”) issued clarifying guidance that a restriction which is a characteristic of the holding entity rather than a characteristic of the equity security itself should not be considered in its fair value measurement. As a result, the Company is required to measure the fair value of equity securities subject to contractual restrictions attributable to the holding entity on the basis of the market price of the same equity security without those contractual restrictions. Companies are not permitted to recognize a contractual sale restriction attributable to the holding entity as a separate unit of account. The guidance also requires disclosures for these equity securities.

The new guidance is mandatorily effective for the Company by January 1, 2024 with early adoption permitted. The Company will apply the guidance on a prospective basis as an adjustment to current-period earnings with the adoption impact disclosed in the period of adoption.

The Company is currently evaluating the new guidance and its impact on the condensed consolidated financial statements.

Investments— Equity Method and Joint Ventures (ASU 2023-02)

In March 2023, the FASB issued guidance in ASU 2023-02 to introduce the option of applying the proportional amortization method (“PAM”) to account for investments made primarily for the purpose of receiving income tax credits or other income tax benefits when certain requirements are met. Currently, PAM only applies to low-income housing tax credit (“LIHTC”) investments. The guidance becomes mandatorily effective for the Company on January 1, 2024, but early adoption is permitted.

The Company is currently evaluating the impact of the new pronouncement.

Recently Adopted Accounting Pronouncements

Insurance – Targeted Improvements to the Accounting for Long-Duration Contracts (ASU 2020-11, ASU 2019-09, ASU 2018-12)

These updates amend four key areas pertaining to the accounting and disclosures for long-duration insurance and investment contracts and are commonly referred to as long-duration targeted improvements (“LDTI”).

- The update requires cash flow assumptions used to measure the liability for future policy benefits to be updated at least annually and no longer allows a provision for adverse deviation. The remeasurement of the liability associated with the update of assumptions is required to be recognized in net income. Loss recognition testing is eliminated for traditional and limited-payment contracts. The update also requires the discount rate used in measuring the liability to be an upper-medium grade fixed-income instrument yield, which is to be updated at each reporting date. The change in liability due to changes in the discount rate is to be recognized in OCI.
- The update simplifies the amortization of DAC and other balances amortized in proportion to premiums, gross profits, or gross margins, requiring such balances to be amortized on a constant level basis over the expected term of the contracts. Deferred costs are required to be written off for unexpected contract terminations but are not subject to impairment testing.

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- The update requires certain contract features meeting the definition of market risk benefits to be measured at fair value. Among the features included in this definition are the GLWB and GMDB riders attached to annuity products. The change in fair value of the market risk benefits is to be recognized in net income, excluding the portion attributable to changes in instrument-specific credit risk which is recognized in OCI.
- The update also introduces disclosure requirements around the liability for future policy benefits, policyholder account balances, market risk benefits, separate account liabilities, and deferred acquisition costs. This includes disaggregated rollforwards of these balances and information about significant inputs, judgments, assumptions and methods used in their measurement.

The Company adopted these updates on January 1, 2023 and, for all provisions of the update, applied a retrospective transition approach using a transition date of January 1, 2022, the date of the Mergers. At the acquisition date, VOBA balances were established as the difference between the fair value of the liabilities and the reserves established as of this date. Upon transition to LDTI, the liability for future policy benefits and contractual features that meet the criteria for market risk benefits were adjusted to conform to LDTI, with an offsetting adjustment made to positive or negative VOBA. No adjustments were recorded to accumulated other comprehensive income (loss) ("AOCI") or retained earnings. See note 3 for the effects of LDTI adoption on the 2022 condensed consolidated financial statements.

Business Combinations – Accounting for Contract Assets and Contract Liabilities from Contracts with Customers (ASU 2021-08)

In October 2021, the FASB issued guidance to add contract assets and contract liabilities from contracts with customers acquired in a business combination to the list of exceptions to the fair value recognition and measurement principles that apply to business combinations, and instead require them to be accounted for in accordance with revenue recognition guidance.

The new guidance was adopted by the Company on January 1, 2023 and applied prospectively. There was no financial statement impact upon adoption.

Reference Rate Reform (Topic 848) — Deferral of the Sunset Date of Topic 848 (ASU 2022-06, ASU 2021-01, ASU 2020-04)

The Company adopted ASU 2020-04 and ASU 2021-01 and elected to apply certain of the practical expedients related to contract modifications, hedge accounting relationships, and derivative modifications pertaining to discounting, margining, or contract price alignment. The main purpose of the practical expedients is to ease the administrative burden of accounting for contracts impacted by reference rate reform, and these elections did not have, and are not expected to have, a material impact on the consolidated financial statements. ASU 2022-06 amended and deferred the sunset date of Topic 848 from December 31, 2022 to December 31, 2024, after which the Company will no longer be permitted to apply the expedients provided in Topic 848. The Company will continue to evaluate the impact of reference rate reform on contract modifications and hedging relationships.

Significant Accounting Policies – Asset Management

U.S. Treasury Securities, at fair value

U.S. Treasury securities, at fair value includes U.S. Treasury bills with original maturities greater than three months when purchased. These securities are recorded at fair value in investments in the condensed consolidated statements of financial condition. Interest income on such securities is separately presented from the overall change in fair value and is recognized in interest income for asset management in the condensed consolidated statements of operations. Any remaining change in fair value of such securities, that is not recognized as interest income, is recognized in net gains (losses) from investment activities for asset management in the condensed consolidated statements of operations.

Due from/to Related Parties

Due from/to related parties includes amounts due from and due to existing employees, certain former employees, portfolio companies of the funds and non-consolidated funds.

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Deferred Revenue

Apollo records deferred revenue, which is a type of contract liability, when consideration is received in advance of management services provided. Deferred revenue is reversed and recognized as revenue over the period that the agreed upon services are performed. It is included in accounts payable, accrued expenses, and other liabilities in the condensed consolidated statements of financial condition.

Apollo also earns management fees which are subject to an offset. When Apollo receives cash for advisory and transaction fees, a certain percentage of such advisory and/or transaction fees, as applicable, is allocated as a credit to reduce future management fees, otherwise payable by the relevant fund. Such credit is recorded as deferred revenue in the condensed consolidated statements of financial condition within the accounts payable, accrued expenses and other liabilities line item. A portion of any excess advisory and transaction fees may be required to be returned to the limited partners of certain funds upon such fund's liquidation. As the management fees earned by Apollo are presented on a gross basis, any management fee offsets calculated are presented as a reduction to advisory and transaction fees in the condensed consolidated statements of operations.

Additionally, Apollo earns advisory fees pursuant to the terms of the advisory agreements with certain of the portfolio companies that are owned by the funds Apollo manages. When Apollo receives a payment from a portfolio company that exceeds the advisory fees earned at that point in time, the excess payment is recorded as deferred revenue in the condensed consolidated statements of financial condition. The advisory agreements with the portfolio companies vary in duration and the associated fees are received monthly, quarterly, or annually.

Deferred revenue is reversed and recognized as revenue over the period that the agreed upon services are performed. There was \$24 million of revenue recognized during the three months ended March 31, 2023 that was previously deferred as of January 1, 2022.

Under the terms of the funds' partnership agreements, Apollo is normally required to bear organizational expenses over a set dollar amount and placement fees or costs in connection with the offering and sale of interests in the funds it manages to investors. In cases where the limited partners of the funds are determined to be the customer in an arrangement, placement fees may be capitalized as a cost to acquire a customer contract and amortized over the life of the customer contract. Capitalized placement fees are recorded within other assets in the condensed consolidated statements of financial condition, while amortization is recorded within general, administrative and other in the condensed consolidated statements of operations. In certain instances, the placement fees are paid over a period of time. Based on the management agreements with the funds, Apollo considers placement fees and organizational costs paid in determining if cash has been received in excess of the management fees earned. Placement fees and organizational costs are normally the obligation of Apollo but can be paid for by the funds. When these costs are paid by the fund, the resulting obligations are included within deferred revenue. The deferred revenue balance will also be reduced during future periods when management fees are earned but not paid.

Redeemable non-controlling interests

Redeemable non-controlling interests are attributable to VIEs and primarily represent the shares issued by the Company's consolidated SPACs whose shares are redeemable for cash by the respective public shareholders in connection with the applicable SPAC's failure to complete a business combination or its tender offer/stockholder approval provisions. The redeemable non-controlling interests are initially recorded at their original issue price, net of issuance costs and the initial fair value of separately traded warrants. The carrying amount is accreted to its redemption value over the period from the date of issuance to the earliest redemption date of the instrument. The accretion to redemption value is generally recorded against additional paid-in capital. Refer to note 17 for further detail.

Revenues

The revenues of the asset management business include (i) management fees; (ii) advisory and transaction fees, net; (iii) investment income, which is comprised of performance allocations and principal investment income; and (iv) incentive fees.

The revenue guidance requires that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services (i.e., the transaction price). When determining the transaction price under the revenue guidance, an entity may recognize variable consideration only to the extent that it is probable to not be significantly reversed. The revenue guidance also

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requires disclosures to help users of financial statements better understand the nature, amount, timing, and uncertainty of revenue that is recognized.

Performance allocations are accounted for under guidance applicable to equity method investments, and therefore not within the scope of the revenue guidance. Apollo recognizes performance allocations within investment income along with the related principal investment income (as further described below) in the condensed consolidated statements of operations and within the investments line in the condensed consolidated statements of financial condition.

Refer to disclosures below for additional information on each of the revenue streams of the asset management business.

Management Fees

Management fees are recognized over time during the periods in which the related services are performed in accordance with the contractual terms of the related agreement. Management fees are generally based on (1) a percentage of the capital committed during the commitment period, and thereafter based on the remaining invested capital of unrealized investments, or (2) net asset value, gross assets or as otherwise provided in the respective agreements. Included in management fees are certain expense reimbursements where Apollo is considered the principal under the agreements and is required to record the expense and related reimbursement revenue on a gross basis.

Advisory and Transaction Fees, Net

Advisory fees, including management consulting fees and directors' fees, are generally recognized over time as the underlying services are provided in accordance with the contractual terms of the related agreement. Apollo receives such fees in exchange for ongoing management consulting services provided to portfolio companies of funds it manages. Transaction fees, including structuring fees and arranging fees related to Apollo's funds, portfolio companies of funds and third parties are generally recognized at a point in time when the underlying services rendered are complete.

The amounts due from fund portfolio companies are recorded in due from related parties on the condensed consolidated statements of financial condition. Under the terms of the limited partnership agreements for certain funds, the management fee payable by the funds may be subject to a reduction based on a certain percentage of such advisory and transaction fees, net of applicable broken deal costs. Advisory and transaction fees are reduced by these management fee offsets in the condensed consolidated statements of operations.

Underwriting fees, which are also included within advisory and transaction fees, net, include gains, losses and fees, arising from securities offerings in which one of the Company's subsidiaries participates in the underwriter syndicate. Underwriting fees are recognized at a point in time when the underwriting is completed. Underwriting fees recognized but not received are recorded in other assets on the condensed consolidated statements of financial condition.

During the normal course of business, Apollo incurs certain costs related to certain transactions that are not consummated, or "broken deal costs". These costs (e.g., research costs, due diligence costs, professional fees, legal fees and other related items) are determined to be broken deal costs upon management's decision to no longer pursue the transaction. In accordance with the related fund agreement, in the event the deal is deemed broken, all of the costs are reimbursed by the funds and then included as a component of the calculation of the management fee offset. If a deal is successfully completed, Apollo is reimbursed by the fund or fund's portfolio company for all costs incurred and no offset is generated. As Apollo acts as an agent for the funds it manages, any transaction costs incurred and paid by Apollo on behalf of the respective funds relating to successful or broken deals are recorded net on the Company's condensed consolidated statements of operations, and any receivable from the respective funds is recorded in due from related parties on the condensed consolidated statements of financial condition.

Investment Income

Investment income is comprised of performance allocations and principal investment income.

Performance Allocations. Performance allocations are a type of performance revenue (i.e., income earned based on the extent to which an entity's performance exceeds predetermined thresholds). Performance allocations are generally structured from a legal standpoint as an allocation of capital in which Apollo's capital account receives allocations of the returns of an entity when those returns exceed predetermined thresholds. The determination of which performance revenues are considered performance allocations is primarily based on the terms of an agreement with the entity.

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Apollo recognizes performance allocations within investment income along with the related principal investment income (as described further below) in the condensed consolidated statements of operations and within the investments line in the condensed consolidated statements of financial condition.

When applicable, Apollo may record a general partner obligation to return previously distributed performance allocations. The general partner obligation is based upon an assumed liquidation of a fund's net assets as of the reporting date and is reported within due to related parties on the condensed consolidated statements of financial condition. The actual determination and any required payment of any such general partner obligation would not take place until the final disposition of a fund's investments based on the contractual termination of the fund or as otherwise set forth in the respective governing document of the fund.

Principal Investment Income. Principal investment income includes Apollo's income or loss from equity method investments and certain other investments in entities in which Apollo is generally eligible to receive performance allocations. Income from equity method investments includes Apollo's share of net income or loss generated from its investments, which are not consolidated, but in which it exerts significant influence.

Incentive Fees

Incentive fees are a type of performance revenue. Incentive fees differ from performance allocations in that incentive fees do not represent an allocation of capital but rather a contractual fee arrangement with the entity. Incentive fees are considered a form of variable consideration as they are subject to clawback or reversal and therefore must be deferred until the fees are probable to not be significantly reversed. Accrued but unpaid incentive fees are reported within other assets in Apollo's condensed consolidated statements of financial condition. Apollo's incentive fees are generally received from CLOs, managed accounts and certain other vehicles it manages.

Profit Sharing

Profit sharing expense and profit sharing payable primarily consist of a portion of performance revenues earned from certain funds that are allocated to employees and former employees. Profit sharing amounts are recognized as the related performance revenues are earned. Accordingly, profit sharing amounts can be reversed during periods when there is a decline in performance revenues that were previously recognized. Profit sharing expense is recorded in compensation and benefits for asset management in the condensed consolidated statements of operations. Profit sharing payable is recorded in accounts payable, accrued expenses and other liabilities for Asset Management in the condensed consolidated statements of financial condition.

Profit sharing amounts are generally not paid until the related performance revenue is distributed to the general partner upon realization of the fund's investments. Under certain profit-sharing arrangements, Apollo requires that a portion of certain of the performance revenues distributed to its employees be used to purchase restricted common stock issued under the Equity Plan. Prior to distribution of the performance revenue, the Company records the value of the equity-based awards expected to be granted in other assets and other liabilities within the condensed consolidated statements of financial condition. Such equity-based awards are recorded as equity-based compensation expense over the relevant service period once granted.

Additionally, profit sharing amounts previously distributed may be subject to clawback from employees and former employees. When applicable, the accrual for potential clawback of previously distributed profit sharing amounts, which is a component of due from related parties on the condensed consolidated statements of financial condition, represents all amounts previously distributed to employees and former employees that would need to be returned to the general partner if the funds were to be liquidated based on the fair value of the underlying fund's investments as of the reporting date. The actual general partner receivable, however, would not become realized until the final disposition of a fund's investments based on the contractual termination of the fund or as otherwise set forth in the respective governing document of the fund.

Profit sharing payable also includes contingent consideration obligations that were recognized in connection with certain acquisitions. Changes in the fair value of the contingent consideration obligations are reflected in the condensed consolidated statements of operations as compensation and benefits for asset management.

Apollo has performance-based incentive arrangements for certain employees designed to more closely align compensation on an annual basis with the overall realized performance of the Company's asset management business. These arrangements enable certain employees to earn discretionary compensation based on performance revenue earned by Apollo's asset management business in a given year, which amounts are reflected in compensation and benefits in the accompanying condensed

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consolidated financial statements for asset management. Apollo may also use dividends it receives from investments in certain perpetual capital vehicles to compensate employees. These amounts are recorded as compensation and benefits in the condensed consolidated statements of operations for asset management.

Significant Accounting Policies – Retirement Services

Investments

Fixed Maturity Securities

Fixed maturity securities includes bonds, collateralized loan obligations (CLOs), asset-backed securities (ABS), residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS) and redeemable preferred stock. Athene classifies fixed maturity securities as AFS or trading at the time of purchase and subsequently carries them at fair value. Classification is dependent on a variety of factors, including expected holding period, election of the fair value option and asset and liability matching.

AFS Securities

AFS securities are held at fair value on the condensed consolidated statements of financial condition, with unrealized gains and losses, exclusive of allowances for expected credit losses, generally reflected in AOCI on the condensed consolidated statements of financial condition. Unrealized gains or losses relating to identified risks within AFS securities in fair value hedging relationships are reflected in investment related gains (losses) on the condensed consolidated statements of operations.

Trading Securities

The fair value option is elected for certain fixed maturity securities. These fixed maturity securities are classified as trading, with changes to fair value included in investment related gains (losses) on the condensed consolidated statements of operations. Although the securities are classified as trading, the trading activity related to these investments is primarily focused on asset and liability matching activities and is not intended to be an income strategy based on active trading. As such, the activity related to these investments on the condensed consolidated statements of cash flows is classified as investing activities.

Transactions in trading securities are generally recorded on a trade date basis, with any unsettled trades recorded in other assets or other liabilities on the condensed consolidated statements of financial condition. Bank loans, private placements and investment funds are recorded on settlement date basis.

Equity Securities

Equity securities includes common stock, mutual funds and non-redeemable preferred stock. Equity securities with readily determinable fair values are carried at fair value with subsequent changes in fair value recognized in net income. Athene has elected to account for certain equity securities without readily determinable fair values that do not qualify for the practical expedient to estimate fair values based on NAV per share (or its equivalent) at cost less impairment, subject to adjustments based on observable price changes in orderly transactions for identical or similar investments of the same issuer.

Purchased Credit Deteriorated Investments

Athene purchases certain structured securities, primarily RMBS, which upon assessment have been determined to meet the definition of PCD investments. Additionally, structured securities classified as beneficial interests follow the initial measurement guidance for PCD investments if there is a significant difference between contractual cash flows adjusted for expected prepayments and expected cash flows at the date of recognition. The initial allowance for credit losses for PCD investments is recorded through a gross-up adjustment to the initial amortized cost. For structured securities classified as beneficial interests, the initial allowance is calculated as the present value of the difference between contractual cash flows adjusted for expected prepayments and expected cash flows at the date of recognition. The non-credit purchase discount or premium is amortized into investment income using the effective interest method. The credit discount, represented by the allowance for expected credit losses, is remeasured each period following the policies for measuring credit losses described in *Credit Losses – Available-for-Sale Securities* section below.

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Mortgage Loans

Athene elected the fair value option on its mortgage loan portfolio. Interest income is accrued on the principal amount of the loan based on its contractual interest rate. Interest is accrued on loans until it is probable it will not be received, or the loan is 90 days past due, unless guaranteed by U.S. government-sponsored agencies. Interest income and prepayment fees are reported in net investment income on the condensed consolidated statements of operations. Changes in the fair value of the mortgage loan portfolio are reported in investment related gains (losses) on the condensed consolidated statements of operations.

Investment Funds

Athene invests in certain non-fixed income, alternative investments in the form of limited partnerships or similar legal structures (investment funds). For investment funds in which it does not hold a controlling financial interest, Athene typically accounts for such investments using the equity method, where the cost is recorded as an investment in the fund, or it has elected the fair value option. Adjustments to the carrying amount reflect pro rata ownership percentage of the operating results as indicated by NAV in the investment fund financial statements, which can be on a lag of up to three months when investee information is not received in a timely manner.

Athene's proportionate share of investment fund income is recorded within net investment income on the condensed consolidated statements of operations. Contributions paid or distributions received by Athene are recorded directly to the investment fund balance as an increase to carrying value or as a return of capital, respectively.

Policy Loans

Policy loans are funds provided to policyholders in return for a claim on the policyholder's account balance. The funds provided are limited to a specified percentage of the account balance. The majority of policy loans do not have a stated maturity and the balances and accrued interest are repaid with proceeds from the policyholder's account balance. Policy loans are reported at the unpaid principal balance. Interest income is recorded as earned using the contract interest rate and is reported in net investment income on the condensed consolidated statements of operations.

Funds Withheld at Interest

Funds withheld at interest represents a receivable for amounts contractually withheld by ceding companies in accordance with funds withheld coinsurance ("funds withheld") and modified coinsurance ("modco") reinsurance agreements in which Athene is the reinsurer. Generally, assets equal to statutory reserves are withheld and legally owned by the ceding company, and any excess or shortfall is settled periodically. The underlying agreements contain embedded derivatives as discussed below.

Short-term Investments

Short-term investments consist of financial instruments with maturities of greater than three months but less than twelve months when purchased. Short-term debt securities are accounted for as trading or AFS consistent with the policies for those investments. Short-term loans are carried at amortized cost.

Other Investments

Other investments includes, but is not limited to, term loans collateralized by mortgages on residential and commercial real estate and other uncollateralized loans. Athene elected the fair value option on these loans. Interest income is accrued on the principal amount of the loan based on its contractual interest rate. Interest on loans is accrued until it is probable it will not be received or the loan is 90 days past due. Interest income and prepayment and other fees are reported in net investment income on the condensed consolidated statements of operations. Changes in fair value are reported in investment related gains (losses) on the condensed consolidated statements of operations.

Investment Income

Investment income is recognized as it accrues or is legally due, net of investment management and custody fees. Investment income on fixed maturity securities includes coupon interest, as well as the amortization of any premium and the accretion of any discount. Investment income on equity securities represents dividend income and preferred coupons interest. Realized gains

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and losses on sales of investments are included in investment related gains (losses) on the condensed consolidated statements of operations. Realized gains and losses on investments sold are determined based on a first-in first-out method.

Credit Losses – Available-for-Sale Securities

AFS securities with a fair value that has declined below amortized cost are evaluated to determine how the decline in fair value should be recognized. If based on the facts and circumstances related to the specific security, Athene intends to sell a security or it is more likely than not that it would be required to sell a security before the recovery of its amortized cost, any existing allowance for expected credit losses is reversed and the amortized cost of the security is written down to fair value. If neither of these conditions exist, the decline in fair value is evaluated to determine whether it has resulted from a credit loss or other factors.

For non-structured AFS securities, relevant facts and circumstances are qualitatively considered in evaluating whether a decline below fair value is credit-related. Relevant facts and circumstances include but are not limited to: (1) the extent to which the fair value is less than amortized cost; (2) changes in agency credit ratings, (3) adverse conditions related to the security's industry or geographical area, (4) failure to make scheduled payments, and (5) other known changes in the financial condition of the issuer or quality of any underlying collateral or credit enhancements. For structured AFS securities meeting the definition of beneficial interests, the qualitative assessment is bypassed, and any securities having experienced a decline in fair value below amortized cost move directly to a quantitative analysis.

If upon completion of this analysis it is determined that a potential credit loss exists, an allowance for expected credit losses is established equal to the amount by which the present value of expected cash flows is less than amortized cost, limited by the amount by which fair value is less than amortized cost. A non-structured security's cash flow estimates are derived from scenario-based outcomes of expected corporate restructurings or the disposition of assets using security-specific facts and circumstances, including timing, security interests and loss severity. A structured security's cash flow estimates are based on security-specific facts and circumstances that may include collateral characteristics, expectations of delinquency and default rates, loss severity, prepayments and structural support, including subordination and guarantees. The expected cash flows are discounted at the effective interest rate implicit to the security at the date of purchase or the current yield to accrete a structured security. For securities with a contractual interest rate that varies based on changes in an independent factor, such as an index or rate, the effective interest rate is calculated based on the factor as it changes over the life of the security. Inherently under the discounted cash flow model, both the timing and amount of expected cash flows affect the measurement of the allowance for expected credit losses.

The allowance for expected credit losses is remeasured each period for the passage of time, any change in expected cash flows, and changes in the fair value of the security. All impairments, whether intent or requirement to sell or credit-related, are recorded through a charge to the provision for credit losses within investment related gains (losses) on the condensed consolidated statements of operations. All changes in the allowance for expected credit losses are recorded through the provision for credit losses within investment related gains (losses) on the condensed consolidated statements of operations.

The Company has elected to present accrued interest receivable separately in other assets on the condensed consolidated balance sheets. It has also elected the practical expedient to exclude the accrued interest receivable from the amortized cost balance used to calculate the allowance for expected credit losses, as it has a policy to write off such balances in a timely manner, when they become 90 days past due. Any write-off of accrued interest is recorded through a reversal of net investment income on the condensed consolidated statements of operations.

Upon determining that all or a portion of the amortized cost of an asset is uncollectible, which is generally when all efforts for collection are exhausted, the amortized cost is written off against the existing allowance. Any write off in excess of the existing allowance is recorded through the provision for credit losses within investment related gains (losses) on the condensed consolidated statements of operations.

Derivative Instruments

Athene invests in derivatives to hedge the risks experienced from ongoing operations, such as equity, interest rate and cash flow risks, or for other risk management purposes, which primarily involve managing liability risks associated with indexed annuity products and reinsurance agreements. Derivatives are financial instruments with values that are derived from interest rates, foreign exchange rates, financial indices or other combinations of an underlying and notional. Derivative assets and liabilities are carried at fair value on the condensed consolidated statements of financial condition. The Company elects to present any

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derivatives subject to master netting provisions as a gross asset or liability and gross of collateral. It may designate derivatives as cash flow, fair value or net investment hedges.

Hedge Documentation and Hedge Effectiveness

To qualify for hedge accounting, at the inception of the hedging relationship, Athene formally documents its designation of the hedge as a cash flow, fair value or net investment hedge and risk management objective and strategy for undertaking the hedging transaction. This documentation identifies how the hedging instrument is expected to hedge the designated risks related to the hedged item and the method that will be used to retrospectively and prospectively assess the hedge effectiveness and the method which will be used to measure ineffectiveness. A derivative designated as a hedging instrument must be assessed as being highly effective in offsetting the designated risk of the hedged item. Hedge effectiveness is formally assessed at inception and periodically throughout the life of the hedge accounting relationship.

For a cash flow hedge, all changes in the fair value of the hedging derivative are reported within AOCI and the related gains or losses on the derivative are reclassified into the condensed consolidated statements of operations when the cash flows of the hedged item affect earnings.

For a fair value hedge, changes in the fair value of the hedging derivative and changes in the fair value of the hedged item related to the designated risk being hedged are reported on the condensed consolidated statements of operations according to the nature of the risk being hedged. Additionally, changes in the fair value of amounts excluded from the assessment of effectiveness are recorded in AOCI and amortized into income over the life of the hedge accounting relationship.

For a net investment hedge, changes in the fair value of the hedging derivative are reported within AOCI to offset the translation adjustments for subsidiaries with functional currencies other than U.S. dollar.

Athene discontinues hedge accounting prospectively when: (1) it determines the derivative is no longer highly effective in offsetting changes in the estimated cash flows or fair value of a hedged item; (2) the derivative expires, is sold, terminated, or exercised; or (3) the derivative is de-designated as a hedging instrument. When hedge accounting is discontinued, the derivative continues to be carried on the condensed consolidated statements of financial condition at fair value, with changes in fair value recognized in investment related gains (losses) on the condensed consolidated statements of operations.

For a derivative not designated as a hedge, changes in the derivative's fair value and any income received or paid on derivatives at the settlement date are included in investment related gains (losses) on the condensed consolidated statements of operations.

Embedded Derivatives

Athene issues and reinsures products, primarily indexed annuity products, or purchases investments that contain embedded derivatives. If it determines the embedded derivative has economic characteristics not clearly and closely related to the economic characteristics of the host contract, and a separate instrument with the same terms would qualify as a derivative instrument, the embedded derivative is bifurcated from the host contract and accounted for separately, unless the fair value option is elected on the host contract. Under the fair value option, bifurcation of the embedded derivative is not necessary as the entire contract is carried at fair value with all related gains and losses recognized in investment related gains (losses) on the condensed consolidated statements of operations. Embedded derivatives are carried on the condensed consolidated statements of financial condition at fair value in the same line item as the host contract.

Fixed indexed annuity, index-linked variable annuity and indexed universal life insurance contracts allow the policyholder to elect a fixed interest rate return or an equity market component for which interest credited is based on the performance of certain equity market indices. The equity market option is an embedded derivative. The benefit reserve is equal to the sum of the fair value of the embedded derivative and the host (or guaranteed) component of the contracts. The fair value of the embedded derivatives represents the present value of cash flows attributable to the indexed strategies. The embedded derivative cash flows are based on assumptions for future policy growth, which include assumptions for expected index credits on the next policy anniversary date, future equity option costs, volatility, interest rates and policyholder behavior assumptions, including lapses and the use of benefit riders. The embedded derivative cash flows are discounted using a rate that reflects Athene's own credit rating. The host contract is established at contract inception as the initial account value less the initial fair value of the embedded derivative and accreted over the policy's life. Contracts acquired through a business combination which contain an embedded derivative are re-bifurcated as of the acquisition date. Changes in the fair value of embedded derivatives associated

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with fixed indexed annuities, index-linked variable annuities and indexed universal life insurance contracts are included in interest sensitive contract benefits on the condensed consolidated statements of operations.

Additionally, reinsurance agreements written on a funds withheld or modco basis contain embedded derivatives. Athene has determined that the right to receive or obligation to pay the total return on the assets supporting the funds withheld at interest or funds withheld liability, respectively, represents a total return swap with a floating rate leg. The fair value of embedded derivatives on funds withheld and modco agreements is computed as the unrealized gain (loss) on the underlying assets and is included within funds withheld at interest for assumed agreements, and for ceded agreements the funds withheld liability is included in other liabilities on the condensed consolidated statements of financial condition. The change in the fair value of the embedded derivatives is recorded in investment related gains (losses) on the condensed consolidated statements of operations. Assumed and ceded earnings from funds withheld at interest, funds withheld liability and changes in the fair value of embedded derivatives are reported in operating activities on the condensed consolidated statements of cash flows. Contributions to and withdrawals from funds withheld at interest and funds withheld liability are reported in operating activities on the condensed consolidated statements of cash flows.

Reinsurance

Athene assumes and cedes insurance and investment contracts under coinsurance, funds withheld, and modco. Reinsurance accounting is applied for transactions that provide indemnification against loss or liability relating to insurance risk (risk transfer). To meet risk transfer requirements, a reinsurance agreement must transfer insurance risk arising from uncertainties about both underwriting and timing risks. Cessions under reinsurance do not discharge obligations as the primary insurer, unless the requirements of assumption reinsurance have been met. Athene generally has the right of offset on reinsurance transactions, but has elected to present reinsurance settlement amounts due to and from Athene on a gross basis.

For assets and liabilities ceded under reinsurance agreements, Athene generally applies the same measurement guidance for Athene's directly issued or assumed contracts. Ceded amounts are recorded within reinsurance recoverable on the condensed consolidated statements of financial condition. For reinsurance of in-force contracts that pass risk transfer, the issue year used for the purpose of measuring the reinsurance recoverable is dependent on the effective date of the reinsurance agreement, which may differ from the issue year for the direct or assumed contract. The issue year informs the locked-in discount rate used for the purposes of interest accretion. This may result in different discount rates used for the direct or assumed reserves and ceded reserves when reinsuring an in-force block of insurance contracts. For flow reinsurance of insurance contracts that pass risk transfer, the contracts have the same cash flow assumptions as the direct or assumed contracts when the terms are consistent between those respective contracts and the ceded reinsurance agreement. When Athene recognizes an immediate loss due to the present value of future benefits and expenses exceeding the present value of future gross premiums, a gain is recognized on the corresponding reinsurance recoverable to the extent it does not result in gain recognition at treaty inception. Likewise, where the direct or assumed reserve has been floored to zero, the corresponding reinsurance recoverable will be consistently set to zero. See *Future Policy Benefits* below for further information.

Accounting for reinsurance requires the use of assumptions, particularly related to the future performance of the underlying business and the potential impact of counterparty credit risks. Athene attempts to minimize its counterparty credit risk through the structuring of the terms of its reinsurance agreements, including the use of trusts, and monitors credit ratings of counterparties for signs of declining credit quality. When a ceding company does not report information on a timely basis, Athene records accruals based on the best available information at the time, which includes the reinsurance agreement terms and historical experience. Athene periodically compares actual and anticipated experience to the assumptions used to establish reinsurance assets and liabilities.

Assets and liabilities assumed or ceded under coinsurance, funds withheld, or modco are presented gross on the condensed consolidated statements of financial condition. For investment contracts, the change in the direct or assumed and ceded reserves are presented net in interest sensitive contract benefits on the condensed consolidated statements of operations. For insurance contracts, the change in the direct or assumed and ceded reserves and benefits are presented net in future policy and other policy benefits on the condensed consolidated statements of operations, except for changes related to the discount rate which are presented net in OCI on the condensed consolidated statements of comprehensive income (loss). For market risk benefits, the change in the direct or assumed and ceded reserves are presented net in market risk benefits remeasurement (gain) loss on the condensed consolidated statements of operations, except for changes related to instrument-specific credit risk on direct and assumed contracts which are presented net in OCI on the condensed consolidated statements of comprehensive income (loss).

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For the reinsurance of existing in-force blocks that transfer significant insurance risk, the difference between the assets received or paid and the liabilities assumed or ceded represents the net cost of reinsurance at the inception of the reinsurance agreement. The net cost of reinsurance is amortized on a basis consistent with the methodologies and assumptions used to amortize DAC and deferred sales inducements (“DSI”).

Deferred Acquisition Costs, Deferred Sales Inducements and Value of Business Acquired

Deferred Acquisition Costs and Deferred Sales Inducements

Costs related directly to the successful acquisition of new, or the renewal of existing, insurance or investment contracts are deferred. These costs consist of commissions and policy issuance costs, as well as sales inducements credited to policyholder account balances, and are included in deferred acquisition costs, deferred sales inducements and value of business acquired on the condensed consolidated statements of financial condition. These costs are not capitalized until they are incurred.

Deferred costs related to universal life-type policies and investment contracts with significant revenue streams from sources other than investment of the policyholder funds are grouped into cohorts based on issue year and contract type and amortized on a constant level basis over the expected term of the related contracts. The cohorts and assumptions used for the amortization of deferred costs are consistent with those used in estimating the related liabilities for these contracts. The constant level basis generally is the initial premium or deposit and is projected based on assumptions related to policyholder behavior, including lapses and mortality, over the expected term of the contracts. Each reporting period, Athene replaces expected experience with actual experience to determine the related amortization expense. Changes to projected experience are recognized in amortization expense prospectively over the remaining contract term. Amortization of DAC and DSI is included in amortization of deferred acquisition costs, deferred sales inducements and value of business acquired on the condensed consolidated statements of operations.

Deferred costs related to investment contracts without significant revenue streams from sources other than investment of the policyholder funds are amortized using the effective interest method. The effective interest method amortizes the deferred costs by discounting the future liability cash flows at a break-even rate. The break-even rate is solved for such that the present value of future liability cash flows is equal to the net liability at the inception of the contract. The deferred costs represent the difference between the net and gross liability and the change relates to amortization for the period.

Value of Business Acquired

Athene establishes VOBA for blocks of insurance contracts acquired through the acquisition of insurance entities. It records the fair value of the liabilities assumed in two components: reserves and VOBA. Reserves are established using Athene’s best estimate assumptions as of the business combination date. VOBA is the difference between the fair value of the liabilities and the reserves. VOBA can be either positive or negative and is amortized in relation to respective policyholder liabilities. Significant assumptions that impact VOBA amortization are consistent with those that impact the measurement of policyholder liabilities. Athene performs periodic tests to determine if positive VOBA remains recoverable. If Athene determines that positive VOBA is not recoverable, Athene records a cumulative charge to the current period. Any negative VOBA is recorded to the same financial statement line on the condensed consolidated statements of financial condition as the associated reserves. Positive VOBA is recorded in deferred acquisition costs, deferred sales inducements and value of business acquired on the condensed consolidated statements of financial condition.

Interest Sensitive Contract Liabilities

Universal life-type policies and investment contracts include traditional deferred annuities, indexed annuities consisting of fixed indexed and index-linked variable annuities in the accumulation phase, funding agreements, immediate annuities without significant mortality risk (which include pension group annuities without life contingencies), universal life insurance, and other investment contracts inclusive of assumed endowments without significant mortality risk. Athene carries liabilities for traditional deferred annuities, indexed annuities, funding agreements and universal life insurance at the account balances without reduction for potential surrender or withdrawal charges, except for a block of universal life business ceded to Global Atlantic Financial Group Limited (together with its subsidiaries, “Global Atlantic”), which it carries at fair value. Liabilities for immediate annuities without significant mortality risk are calculated as the present value of future liability cash flows and policy maintenance expenses discounted at contractual interest rates. Certain of Athene’s universal life-type policies and investment contracts are offered with additional contract features that meet the definition of a market risk benefit. See *Market Risk Benefits* below for further information.

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Unearned revenue liabilities are established when amounts are assessed against the policyholder for services to be provided in future periods. These balances are amortized consistent with the methodologies and assumptions used to amortize DAC and DSI.

Changes in interest sensitive contract liabilities, excluding deposits and withdrawals, are recorded in interest sensitive contract benefits or product charges on the condensed consolidated statements of operations. Interest sensitive contract liabilities are not reduced for amounts ceded under reinsurance agreements which are reported as reinsurance recoverable on the condensed consolidated statements of financial condition.

Future Policy Benefits

Athene issues contracts classified as long-duration, which include term and whole life, accident and health, disability, and deferred and immediate annuities with life contingencies (which includes pension group annuities with life contingencies). Liabilities for non-participating long-duration contracts are established as the estimated present value of benefits we expect to pay to or on behalf of the policyholder and related expenses less the present value of the net premiums to be collected, referred to as the net premium ratio. The contracts are grouped into cohorts based on issue year and contract type, with an exception for pension group annuities, which are generally assessed at the group annuity contract level. Contracts with different issuance years are not combined. Contracts acquired in a business combination are grouped into a single cohort by contract type, except for pension group annuities, which follow the group annuity contract level.

Liabilities for nonparticipating long-duration contracts are established using accepted actuarial valuation methods which require the use of assumptions related to discount rate, expenses, longevity, mortality, morbidity, persistency and other policyholder behavior. Athene bases certain key assumptions, such as longevity, mortality and morbidity, on industry standard data adjusted to align with actual company experience, if needed. Athene has elected to use expense assumptions that are locked in at issuance for each cohort. All other cash flow assumptions are established at contract issuance and reviewed annually or more frequently if actual experience suggests a revision is necessary. The effect of changes in cash flow assumptions impacting the net premium ratio are recorded as remeasurement changes in the period in which they are made. As cash flow assumptions are reviewed at least annually, there is no provision for adverse deviation included within the liability.

Actual experience is recognized in the period in which the experience arises. Actual experience is then incorporated into the net premium ratio for all products and cohorts on a quarterly basis. When the net premium ratio is revised, whether to incorporate actual experience each reporting period or for the review of cash flow assumptions, the liability is recalculated as of the beginning of the period, discounted at the original contract issuance discount rate, and compared with the carrying amount of the liability as of the same date to determine the current period change. The current period change in the liability is recognized as remeasurement gain or loss.

To the extent the present value of future benefits and expenses exceeds the present value of gross premiums, Athene will cap the net premium ratio at one hundred percent by increasing the corresponding liability and recognizing an immediate loss through the condensed consolidated statements of operations. The liability is never recorded at an amount less than zero for the cohort.

The liability for nonparticipating long-duration contracts is discounted using an upper-medium grade fixed income instrument yield aligned to the duration of the liability. In determining reference portfolio of instruments, Athene has used a single A equivalent level rate and maximized the use of observable data to the extent possible for the duration of its liabilities. The discount rate is required to be updated at the end of each reporting period for the remeasurement of the liability but is locked-in for each cohort for the purpose of interest accretion expense.

Changes in the value of the liability for nonparticipating long-duration contracts due to changes in the discount rate are recognized as a component of OCI on the condensed consolidated statements of comprehensive income (loss). The change in the liability for the remeasurement gain or loss and all other changes in the liability is recorded in future policy and other policy benefits on the condensed consolidated statements of operations.

Future policy benefits include liabilities for no-lapse guarantees on universal life insurance and fixed indexed universal life insurance that do not meet the criteria to be classified as and accounted for as a market risk benefit. Athene establishes future policy benefits for no-lapse guarantees by estimating the expected value of death benefits paid after policyholder account balances have been exhausted. Athene recognizes these benefits proportionally over the life of the contracts based on total

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actual and expected assessments. The methods Athene uses to estimate the liabilities have assumptions about policyholder behavior, mortality, expected yield on investments supporting the liability and market conditions affecting policyholder account balance growth.

For the liabilities associated with no-lapse guarantees, each reporting period Athene updates expected excess benefits and assessments with actual excess benefits and assessments and adjusts the liability balances due to the OCI effects of unrealized investment gains and losses on AFS securities. Athene also periodically revises the key assumptions used in the calculation of the liabilities that result in revisions to the expected excess benefits and assessments. The effects of changes in assumptions are recorded as unlocking in the period in which the changes are made. Changes in the liabilities associated with no-lapse guarantees, other than the adjustment for the OCI effects of unrealized investment gains and losses on AFS securities, are recorded in future policy and other policy benefits on the condensed consolidated statements of operations.

Future policy benefits are not reduced for amounts ceded under reinsurance agreements which are reported as reinsurance recoverable on the condensed consolidated statements of financial condition.

Market Risk Benefits

Market risk benefits represent contracts or contract features that both provide protection to the contract holder from, and expose the insurance entity to, other-than-nominal capital market risk. Athene issues and reinsures deferred annuity contracts which contain guaranteed lifetime withdrawal benefits ("GLWB") and guaranteed minimum death benefit ("GMDB") riders that meet the criteria for, and are classified as, market risk benefits.

Market risk benefits are measured at fair value at the contract level and may be recorded as a liability or an asset, which are recorded on the condensed consolidated statements of financial condition in market risk benefits or other assets, respectively. Multiple market risk benefits on a contract are treated as a single, compound market risk benefit. At contract inception, Athene assesses the fees and assessments that are collectible from the policyholder and allocate them to the extent they are attributable to the market risk benefit. These attributed fees are used in the valuation of the market risk benefits and are never negative or exceed total explicit fees collectible from the policyholder. If the fees are sufficient to cover the projected benefits, a non-option based valuation model is used. If the fees are insufficient to cover the projected benefits, an option-based valuation model is used to compute the market risk benefit liability at contract inception, with an equal and offsetting adjustment recognized in interest sensitive contract liabilities.

Changes in fair value of market risk benefits are recorded in market risk benefits remeasurement (gain) loss on the condensed consolidated statements of operations, excluding portions attributed to changes in instrument-specific credit risk, which are recorded in OCI on the condensed consolidated statements of comprehensive income (loss). Market risk benefits are not reduced for market risk benefits ceded under reinsurance agreements. Ceded market risk benefits are measured at fair value and recorded within reinsurance recoverable on the condensed consolidated statements of financial condition.

Upon annuitization of the contract or the extinguishment of the account balance, the market risk benefit, related annuity contract and unamortized deferred costs are derecognized, including amounts within AOCI. A payout annuity is then established for GLWBs.

Revenues

Revenues for universal life-type policies and investment contracts, including surrender and market value adjustments, costs of insurance, policy administration, GMDB, GLWB and no-lapse guarantee charges, are earned when assessed against policyholder account balances during the period. Interest credited to policyholder account balances and the change in fair value of embedded derivatives within fixed indexed annuity contracts is included in interest sensitive contract benefits on the condensed consolidated statements of operations.

Premiums for long-duration contracts, including products with fixed and guaranteed premiums and benefits, are recognized as revenue when due from policyholders. When premiums are due over a significantly shorter period than the period over which benefits are provided, such as immediate annuities with life contingencies (which includes pension group annuities), a deferred profit liability is established equal to the excess of the gross premium over the net premium. The deferred profit liability is recognized in future policy benefits on the condensed consolidated statements of financial condition and amortized into income in relation to applicable policyholder liabilities through future policy and other policy benefits on the condensed consolidated statements of operations.

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When the net premium ratio for the corresponding future policy benefit is updated for actual experience and changes to projected cash flow assumptions, the deferred profit liability is retrospectively recalculated from the contract issuance date through the beginning of the current reporting period. The revised deferred profit liability is compared to the beginning of the period carrying amount to determine the change to be recognized as a remeasurement gain or loss within future policy and other policy benefits on the condensed consolidated statements of operations. Unlike the related future policy benefit, the deferred profit liability will not be remeasured for changes in discount rates each reporting period. Negative VOBA balances associated with payout contracts involving life contingencies, including pension group annuities, are accounted for in a manner similar to the deferred profit liability.

All insurance-related revenue is reported net of reinsurance ceded.

3. Adoption of Accounting Pronouncement

Retirement Services

The following table summarizes future policy benefits and changes to the liability:

<i>(In millions)</i>	Traditional deferred annuities	Indexed annuities	Payout annuities	Reconciling items¹	Total
Balance as of January 1, 2022	\$ 221	\$ 5,389	\$ 32,872	\$ 8,632	\$ 47,114
Change in discount rate assumptions	—	—	2,406	—	2,406
Adjustment for removal of balances related to market risk benefits	(221)	(5,389)	—	—	(5,610)
Adjustment for offsetting balance in negative VOBA ²	—	—	—	(2,428)	(2,428)
Adjusted balance as of January 1, 2022	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 35,278</u>	<u>\$ 6,204</u>	<u>\$ 41,482</u>

¹ Reconciling items primarily include negative VOBA associated with our liability for future policy benefits, as well as reserves for our immaterial lines of business including term and whole life, accident and health and disability, as well as other insurance benefit reserves for our no-lapse guarantees with universal life contracts, all of which are fully ceded.

² Uneliminated adjustments were recorded to positive VOBA within deferred acquisition costs, deferred sales inducements and value of business acquired on the condensed consolidated statements of financial condition.

Adjustments to the deferred profit liability were not required as these balances were set to zero on the Merger Date. Since the liability for future policy benefits was measured at fair value on the Merger Date, there were no instances upon transition in which net premiums exceeded gross premiums which would have required an immediate loss to be recognized in net income.

The following table presents the net liability position of market risk benefits:

<i>(In millions)</i>	Traditional deferred annuities	Indexed annuities	Total
Balance as of January 1, 2022	\$ —	\$ —	\$ —
Adjustment for addition of existing balances ¹	221	5,389	5,610
Adjustment to positive VOBA due to fair value adjustment for market risk benefits ²	32	(1,165)	(1,133)
Adjustment to negative VOBA due to fair value adjustment for market risk benefits ³	—	(30)	(30)
Adjusted balance as of January 1, 2022	<u>\$ 253</u>	<u>\$ 4,194</u>	<u>\$ 4,447</u>

¹ Previously recorded within future policy benefits on the condensed consolidated statements of financial condition.

² Previously recorded within deferred acquisition costs, deferred sales inducements and value of business acquired on the condensed consolidated statements of financial condition.

³ Previously recorded within interest sensitive contract liabilities on the condensed consolidated statements of financial condition.

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The following table represents market risk benefits by asset and liability positions:

<i>(In millions)</i>	Asset ¹	Liability	Net liability
Traditional deferred annuities	\$ —	\$ 253	\$ 253
Indexed annuities	366	4,560	4,194
Adjusted balance as of January 1, 2022	\$ 366	\$ 4,813	\$ 4,447

¹ Included within other assets on the condensed consolidated statements of financial condition.

The following table summarizes the change in deferred acquisition costs, deferred sales inducements and value of business acquired:

<i>(In millions)</i>	VOBA
Balance as of January 1, 2022	\$ 4,527
Change in discount rate assumptions for future policy benefits	(22)
Fair value adjustment of market risk benefits	(1,133)
Adjusted balance as of January 1, 2022	\$ 3,372

4. Merger with Athene

On January 1, 2022, Apollo and Athene completed the previously announced merger transactions pursuant to the Merger Agreement. As a result of the Mergers, AAM and AHL became subsidiaries of AGM.

Under the Merger Agreement, each issued and outstanding Athene common share was converted automatically into 1.149 shares of common stock of AGM and any cash paid in lieu of fractional shares. The purchase price was as follows:

<i>(In millions, except share price data and exchange ratio)</i>	
AHL common shares purchased	138
Exchange ratio	1.149
Shares of common stock issued in exchange	158
AGM Class A shares closing price	\$ 72.43
Total merger consideration at closing	\$ 11,455
Fair value of estimated RSUs, options and warrants assumed and other equity consideration ^{1,2}	699
Effective settlement of pre-existing relationships ³	896
Total merger consideration	13,050
Fair value of AHL common shares previously held (55 million shares) and other adjustments ^{4,5}	4,554
Total AHL equity value held by AGM	17,604
Non-controlling interest ⁶	4,942
Total AHL equity value	\$ 22,546

¹ AGM issued one-time grants of fully vested RSUs and options to certain executives and shareholders of Athene vesting upon consummation of the Mergers. Additionally, all issued and outstanding warrants of Athene prior to the Merger Date were exchanged for shares of AGM common stock at the time of the Mergers. The fair value of these awards is \$600 million and is treated as part of consideration transferred.

² AGM issued replacement awards for all outstanding Athene equity awards. \$ 99 million was included as part of consideration for the portion that was attributable to pre-combination services and \$ 53 million will be treated as post-combination compensation expense.

³ The pre-existing relationship related to receivables, payables, and dividends between Apollo and Athene. Total fees payable to AGM by Athene for asset management and advisory services were approximately \$146 million. A cash dividend of \$750 million was declared by Athene to its common shareholders with Apollo owning 100% of the common shares as of the dividend record date.

⁴ Based on the December 31, 2021 closing price of AHL common shares on the NYSE.

⁵ Other adjustments includes pushdown of goodwill arising out of deferred tax liabilities associated with identifiable net assets of Athene.

⁶ Non-controlling interest in Athene includes holders of Athene's preferred shares and third-party investors in ACRA 1 and in consolidated VIEs of Athene. The fair value of Athene's preferred shares was based on the closing stock price of Athene's preferred shares immediately prior to the consummation of the Athene merger and the fair value of the non-controlling interest in ACRA 1 was determined using the discounted distribution model approach.

The Mergers were accounted for as a business combination. The consideration was allocated to Athene's assets acquired and liabilities assumed based on estimates of their fair values as of the Merger Date. The business combination was achieved in steps. The Company previously held its equity interests in the acquiree at fair value.

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Goodwill of \$4.1 billion was recorded based on the amount that the Athene equity value exceeded the fair value of the net assets acquired less the amounts attributable to non-controlling interests. Goodwill is primarily attributable to the scale, skill sets, operations, and synergies that can be achieved subsequent to the Mergers. The goodwill recorded is not expected to be deductible for tax purposes. Goodwill on the condensed consolidated statements of financial position includes the impacts of foreign currency translation.

The financial statements were not retrospectively adjusted for the changes to the provisional values of assets acquired and liabilities assumed that occurred in subsequent periods. Adjustments were recognized as information related to the preliminary fair value calculation was obtained. The effect on earnings of changes in depreciation, amortization, or other income effects, as a result of changes to the provisional amounts, were recorded in the same period as the financial statements, calculated as if the accounting had been completed at the Merger Date.

The following table summarizes the fair value amounts recognized for the assets acquired and liabilities assumed and resulting goodwill as of the Merger Date:

<i>(In millions)</i>	Fair Value and Goodwill Calculation
Merger consideration	\$ 13,050
Fair value of previously held equity interest	4,554
Total Athene Value to be Held by the Company	17,604
Total Value to Allocate	
Investments	176,015
Cash and cash equivalents	9,479
Restricted cash and cash equivalents	796
Investment in related parties	33,863
Reinsurance recoverable	4,977
VOBA	3,372
Assets of consolidated variable interest entities	3,635
Other assets	6,115
Estimated fair value of total assets acquired (excluding goodwill)	238,252
Interest sensitive contract liabilities	160,241
Future policy benefits	41,482
Market risk benefits	4,813
Debt	3,295
Payables for collateral on derivatives and securities to repurchase	7,044
Liabilities of consolidated variable interest entities	461
Other liabilities	2,443
Estimated fair value of total liabilities assumed	219,779
Non-controlling interest	4,942
Estimated fair value of net assets acquired, excluding goodwill	13,531
Goodwill attributable to Athene	\$ 4,073

The Company finalized purchase accounting during the fourth quarter of 2022. During the year ended December 31, 2022, the Company recorded adjustments which decreased provisional goodwill by \$108 million. The adjustments were comprised of \$25 million for measurement period adjustments and \$83 million to adjust the valuation of an investment. The measurement period adjustments were primarily related to decreases in interest sensitive contract liabilities and future policy benefits and the effects to the condensed consolidated statements of operations were immaterial to those periods.

The Company performed a valuation of the acquired investments, policy liabilities, VOBA, other identifiable intangibles, and funds withheld at interest payables and receivables using methodologies consistent with those described in note 2 and note 8.

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Value of business acquired and Other identifiable intangible assets

VOBA represents the difference between the fair value of liabilities acquired and reserves established using best estimate assumptions at the Merger Date. Other identifiable intangible assets are included in other assets on the condensed consolidated statements of financial condition and summarized as follow:

Distribution Channels	Trade Name	Insurance Licenses
These assets are valued using the excess earnings method, which derives value based on the present value of the cash flow attributable to the distribution channels, less returns for contributory assets. Amortization of these assets is on a straight-line basis.	This represents the Athene trade name and was valued using the relief-from-royalty method considering publicly available third-party trade name royalty rates as well as expected premiums generated by the use of the trade name over its anticipated life. Amortization of this asset is on a straight-line basis.	Licenses are protected through registration and were valued using the market approach based on third-party market transactions from which the prices paid for state insurance licenses could be derived. These assets are not amortized.

The fair value and weighted average estimated useful lives of VOBA and other identifiable intangible assets acquired in the Mergers consist of the following:

	Fair value (in millions)	Average useful life (in years)
VOBA Asset	\$ 3,372	7
Distribution Channels	1,870	18
Trade Name	160	20
State Insurance Licenses	26	Indefinite
Total	\$ 5,428	

As of the Merger Date, Athene's financial results are reflected in these condensed consolidated financial statements. Athene's revenues of \$247 million and net income (loss) of \$(842) million are included in the condensed consolidated statement of operations for the three months ended March 31, 2022.

5. Investments

The following table outlines the Company's investments:

(In millions)	March 31, 2023	December 31, 2022
Asset Management		
Investments, at fair value	\$ 1,352	\$ 1,320
Equity method investments	1,019	979
Performance allocations	2,806	2,574
U.S. Treasury securities, at fair value	419	709
Total Investments – Asset Management	5,596	5,582
Retirement Services		
AFS securities, at fair value	\$ 118,579	\$ 112,225
Trading securities, at fair value	2,537	2,473
Equity securities	1,619	1,766
Mortgage loans, at fair value	31,273	28,756
Investment funds	1,672	1,648
Policy loans	339	347
Funds withheld at interest	40,546	42,688
Derivative assets	3,956	3,309
Short-term investments	1,670	2,160
Other investments	1,039	1,076
Total Investments, including related parties – Retirement Services	203,230	196,448
Total Investments	\$ 208,826	\$ 202,030

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Asset Management

Net Gains (Losses) from Investment Activities

The following outlines realized and net change in unrealized gains (losses) reported in net gains (losses) from investment activities:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Realized gains (losses) on sales of investments, net	\$ 5	\$ (2)
Net change in unrealized gains (losses) due to changes in fair value	(7)	36
Net gains (losses) from investment activities	<u>\$ (2)</u>	<u>\$ 34</u>

Performance Allocations

Performance allocations receivable is recorded within investments in the condensed consolidated statements of financial condition. The table below provides a roll forward of the performance allocations balance:

<i>(In millions)</i>	Total
Performance allocations, January 1, 2023	\$ 2,574
Change in fair value of funds	427
Fund distributions to the Company	(195)
Performance allocations, March 31, 2023	<u>\$ 2,806</u>

The change in fair value of funds excludes the general partner obligation to return previously distributed performance allocations, which is recorded in due to related parties in the condensed consolidated statements of financial condition.

The timing of the payment of performance allocations due to the general partner or investment manager varies depending on the terms of the applicable fund agreements. Generally, performance allocations with respect to the private equity funds and certain credit and real assets funds are payable and are distributed to the fund's general partner upon realization of an investment if the fund's cumulative returns are in excess of the preferred return.

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Retirement Services
AFS Securities

The following table represents the amortized cost, allowance for credit losses, gross unrealized gains and losses and fair value of Athene's AFS investments by asset type:

<i>(In millions)</i>	March 31, 2023				
	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
AFS securities					
U.S. government and agencies	\$ 3,327	\$ —	\$ 6	\$ (630)	\$ 2,703
U.S. state, municipal and political subdivisions	1,215	—	—	(249)	966
Foreign governments	1,205	(27)	5	(261)	922
Corporate	75,348	(79)	167	(12,295)	63,141
CLO	18,643	(4)	134	(1,207)	17,566
ABS	11,696	(31)	31	(823)	10,873
CMBS	4,717	(5)	2	(524)	4,190
RMBS	7,050	(356)	197	(539)	6,352
Total AFS securities	123,201	(502)	542	(16,528)	106,713
AFS securities – related parties					
Corporate	1,180	—	1	(54)	1,127
CLO	3,736	(1)	14	(236)	3,513
ABS	7,480	—	12	(266)	7,226
Total AFS securities – related parties	12,396	(1)	27	(556)	11,866
Total AFS securities, including related parties	\$ 135,597	\$ (503)	\$ 569	\$ (17,084)	\$ 118,579

<i>(In millions)</i>	December 31, 2022				
	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
AFS securities					
U.S. government and agencies	\$ 3,333	\$ —	\$ —	\$ (756)	\$ 2,577
U.S. state, municipal and political subdivisions	1,218	—	—	(291)	927
Foreign governments	1,207	(27)	3	(276)	907
Corporate	74,644	(61)	92	(13,774)	60,901
CLO	17,722	(7)	115	(1,337)	16,493
ABS	11,447	(29)	15	(906)	10,527
CMBS	4,636	(5)	6	(479)	4,158
RMBS	6,775	(329)	64	(596)	5,914
Total AFS securities	120,982	(458)	295	(18,415)	102,404
AFS securities – related parties					
Corporate	1,028	—	1	(47)	982
CLO	3,346	(1)	10	(276)	3,079
ABS	6,066	—	3	(309)	5,760
Total AFS securities – related parties	10,440	(1)	14	(632)	9,821
Total AFS securities, including related parties	\$ 131,422	\$ (459)	\$ 309	\$ (19,047)	\$ 112,225

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The amortized cost and fair value of AFS securities, including related parties, are shown by contractual maturity below:

(In millions)	March 31, 2023	
	Amortized Cost	Fair Value
AFS securities		
Due in one year or less	\$ 1,410	\$ 1,377
Due after one year through five years	13,421	12,501
Due after five years through ten years	20,917	18,072
Due after ten years	45,347	35,782
CLO, ABS, CMBS and RMBS	42,106	38,981
Total AFS securities	123,201	106,713
AFS securities – related parties		
Due after one year through five years	735	731
Due after five years through ten years	286	258
Due after ten years	159	138
CLO and ABS	11,216	10,739
Total AFS securities – related parties	12,396	11,866
Total AFS securities, including related parties	\$ 135,597	\$ 118,579

Actual maturities can differ from contractual maturities as borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Unrealized Losses on AFS Securities

The following summarizes the fair value and gross unrealized losses for AFS securities, including related parties, for which an allowance for credit losses has not been recorded, aggregated by asset type and length of time the fair value has remained below amortized cost:

(In millions)	March 31, 2023					
	Less than 12 months		12 months or more		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
AFS securities						
U.S. government and agencies	\$ 68	\$ (4)	\$ 2,431	\$ (626)	\$ 2,499	\$ (630)
U.S. state, municipal and political subdivisions	22	(2)	936	(247)	958	(249)
Foreign governments	98	(8)	795	(252)	893	(260)
Corporate	10,062	(812)	47,858	(11,472)	57,920	(12,284)
CLO	3,038	(92)	11,579	(1,063)	14,617	(1,155)
ABS	3,623	(197)	3,938	(492)	7,561	(689)
CMBS	1,776	(35)	1,483	(354)	3,259	(389)
RMBS	739	(44)	1,846	(258)	2,585	(302)
Total AFS securities	19,426	(1,194)	70,866	(14,764)	90,292	(15,958)
AFS securities – related parties						
Corporate	875	(24)	141	(30)	1,016	(54)
CLO	1,009	(35)	2,124	(200)	3,133	(235)
ABS	2,625	(82)	2,736	(184)	5,361	(266)
Total AFS securities – related parties	4,509	(141)	5,001	(414)	9,510	(555)
Total AFS securities, including related parties	\$ 23,935	\$ (1,335)	\$ 75,867	\$ (15,178)	\$ 99,802	\$ (16,513)

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	December 31, 2022					
	Less than 12 months		12 months or more		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
<i>(In millions)</i>						
AFS securities						
U.S. government and agencies	\$ 2,539	\$ (756)	\$ —	\$ —	\$ 2,539	\$ (756)
U.S. state, municipal and political subdivisions	911	(291)	—	—	911	(291)
Foreign governments	891	(275)	—	—	891	(275)
Corporate	58,256	(13,773)	—	—	58,256	(13,773)
CLO	13,486	(1,277)	—	—	13,486	(1,277)
ABS	8,119	(801)	—	—	8,119	(801)
CMBS	2,650	(427)	—	—	2,650	(427)
RMBS	2,621	(365)	—	—	2,621	(365)
Total AFS securities	89,473	(17,965)	—	—	89,473	(17,965)
AFS securities – related parties						
Corporate	619	(47)	—	—	619	(47)
CLO	2,752	(273)	—	—	2,752	(273)
ABS	5,487	(308)	—	—	5,487	(308)
Total AFS securities – related parties	8,858	(628)	—	—	8,858	(628)
Total AFS securities, including related parties	\$ 98,331	\$ (18,593)	\$ —	\$ —	\$ 98,331	\$ (18,593)

The following summarizes the number of AFS securities that were in an unrealized loss position, including related parties, for which an allowance for credit losses has not been recorded:

	March 31, 2023	
	Unrealized Loss Position	Unrealized Loss Position 12 Months or More
AFS securities	8,873	7,387
AFS securities – related parties	194	103

The unrealized losses on AFS securities can primarily be attributed to changes in market interest rates since acquisition. Athene did not recognize the unrealized losses in income, unless as required for hedge accounting, as it intends to hold these securities and it is not more likely than not it will be required to sell a security before the recovery of its amortized cost.

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Allowance for Credit Losses

The following table summarizes the activity in the allowance for credit losses for AFS securities by asset type:

Three months ended March 31, 2023						
(In millions)	Beginning balance	Additions		Reductions		Ending Balance
		Initial credit losses	Initial credit losses on PCD securities	Securities sold during the period	Additions (reductions) to previously impaired securities	
AFS Securities						
Foreign governments	\$ 27	\$ —	\$ —	\$ —	\$ —	\$ 27
Corporate	61	21	—	(6)	3	79
CLO	7	1	—	—	(4)	4
ABS	29	—	—	—	2	31
CMBS	5	1	—	—	(1)	5
RMBS	329	3	28	(4)	—	356
Total AFS securities	458	26	28	(10)	—	502
AFS securities – related party, CLO	1	—	—	—	—	1
Total AFS securities including related party	\$ 459	\$ 26	\$ 28	\$ (10)	\$ —	\$ 503

Three months ended March 31, 2022						
(In millions)	Beginning balance ¹	Additions		Reductions		Ending Balance
		Initial credit losses	Initial credit losses on PCD securities	Securities sold during the period	Additions (reductions) to previously impaired securities	
AFS securities						
Foreign governments	\$ —	\$ 66	\$ —	\$ —	\$ —	\$ 66
Corporate	—	55	—	—	—	55
CLO	—	18	—	—	—	18
ABS	5	5	—	—	1	11
CMBS	—	6	—	—	—	6
RMBS	306	9	—	(8)	5	312
Total AFS securities	311	159	—	(8)	6	468
AFS securities – related parties						
CLO	—	3	—	—	—	3
ABS	—	17	—	—	—	17
Total AFS securities – related parties	—	20	—	—	—	20
Total AFS securities, including related parties	\$ 311	\$ 179	\$ —	\$ (8)	\$ 6	\$ 488

¹ Beginning balance reflects allowances established at the time of the Mergers under purchase accounting for PCD investments.

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Net Investment Income

Net investment income by asset class consists of the following:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
AFS securities	\$ 1,469	\$ 855
Trading securities	42	44
Equity securities	15	15
Mortgage loans	447	237
Investment funds	34	211
Funds withheld at interest	429	337
Other	188	42
Investment revenue	2,624	1,741
Investment expenses	(12)	(10)
Net investment income	\$ 2,612	\$ 1,731

Investment Related Gains (Losses)

Investment related gains (losses) by asset class consists of the following:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
AFS securities ¹		
Gross realized gains on investment activity	\$ 183	\$ 103
Gross realized losses on investment activity	(104)	(410)
Net realized investment losses on AFS securities	79	(307)
Net recognized investment losses on trading securities	64	(221)
Net recognized investment losses on equity securities	(18)	20
Net recognized investment losses on mortgage loans	277	(796)
Derivative losses	993	(3,041)
Provision for credit losses	(66)	(192)
Other gains	(264)	307
Investment related gains (losses)	\$ 1,065	\$ (4,230)

¹ Includes the effects of recognized gains or losses on AFS securities associated with designated hedges.

Proceeds from sales of AFS securities were \$1,140 million and \$298 million for the three months ended March 31, 2023 and 2022, respectively.

The following table summarizes the change in unrealized gains (losses) on trading and equity securities held as of the respective period end:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Trading securities	\$ 66	\$ (189)
Trading securities – related parties	6	(4)
Equity securities	(23)	17
Equity securities – related parties	3	(5)

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Repurchase Agreements

The following table summarizes the remaining contractual maturities of repurchase agreements, which are included in payables for collateral on derivatives and securities to repurchase on the condensed consolidated statements of financial condition:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
Less than 30 days	1,642	608
30-90 days	2,774	1,268
91 days to 364 days	500	—
1 year and greater	2,865	2,867
Payables for repurchase agreements	<u>\$ 7,781</u>	<u>\$ 4,743</u>

The following table summarizes the securities pledged as collateral for repurchase agreements:

<i>(In millions)</i>	March 31, 2023		December 31, 2022	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
AFS securities				
U.S. government and agencies	\$ 2,825	\$ 2,261	\$ 2,559	\$ 1,941
Foreign governments	146	108	146	107
Corporate	5,324	4,425	1,940	1,605
CLO	275	265	273	261
ABS	1,218	1,093	1,243	1,082
Total securities pledged under repurchase agreements	<u>\$ 9,788</u>	<u>\$ 8,152</u>	<u>\$ 6,161</u>	<u>\$ 4,996</u>

Reverse Repurchase Agreements

As of March 31, 2023 and December 31, 2022, amounts loaned under reverse repurchase agreements were \$1,088 million and \$1,640 million, respectively, and the fair value of the collateral, comprised primarily of commercial and residential mortgage loans, was \$1,475 million and \$1,753 million, respectively.

Mortgage Loans, including related parties and consolidated VIEs

Mortgage loans includes both commercial and residential loans. Athene has elected the fair value option on its mortgage loan portfolio. See note 8 for further fair value option information. The following represents the mortgage loan portfolio, with fair value option loans presented at unpaid principal balance:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
Commercial mortgage loans	\$ 21,743	\$ 21,061
Commercial mortgage loans under development	1,020	790
Total commercial mortgage loans	22,763	21,851
Mark to fair value	(1,740)	(1,743)
Commercial mortgage loans	21,023	20,108
Residential mortgage loans	13,211	11,802
Mark to fair value	(842)	(1,099)
Residential mortgage loans	12,369	10,703
Mortgage loans	<u>\$ 33,392</u>	<u>\$ 30,811</u>

Athene primarily invests in commercial mortgage loans on income producing properties, including office and retail buildings, apartments, hotels, and industrial properties. Athene diversifies the commercial mortgage loan portfolio by geographic region and property type to reduce concentration risk. Athene evaluates mortgage loans based on relevant current information to confirm if properties are performing at a consistent and acceptable level to secure the related debt.

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The distribution of commercial mortgage loans, including those under development, by property type and geographic region is as follows:

	March 31, 2023		December 31, 2022	
	Net Carrying Value	Percentage of Total	Net Carrying Value	Percentage of Total
<i>(In millions, except percentages)</i>				
Property type				
Office building	\$ 4,535	21.6 %	\$ 4,651	23.1 %
Retail	1,450	6.9 %	1,454	7.2 %
Apartment	7,506	35.7 %	6,692	33.3 %
Hotels	1,873	8.9 %	1,855	9.2 %
Industrial	2,242	10.7 %	2,047	10.2 %
Other commercial	3,417	16.2 %	3,409	17.0 %
Total commercial mortgage loans	\$ 21,023	100.0 %	\$ 20,108	100.0 %
U.S. Region				
East North Central	\$ 1,438	6.8 %	\$ 1,437	7.1 %
East South Central	422	2.0 %	413	2.1 %
Middle Atlantic	5,561	26.5 %	5,183	25.8 %
Mountain	923	4.4 %	898	4.5 %
New England	1,071	5.1 %	1,076	5.4 %
Pacific	4,033	19.2 %	3,781	18.8 %
South Atlantic	2,876	13.6 %	2,756	13.7 %
West North Central	225	1.1 %	231	1.1 %
West South Central	1,066	5.1 %	1,085	5.4 %
Total U.S. Region	17,615	83.8 %	16,860	83.9 %
International Region				
United Kingdom	1,970	9.4 %	1,898	9.4 %
Other international ¹	1,438	6.8 %	1,350	6.7 %
Total International Region	3,408	16.2 %	3,248	16.1 %
Total commercial mortgage loans	\$ 21,023	100.0 %	\$ 20,108	100.0 %

¹ Represents all other countries, with each individual country comprising less than 5% of the portfolio.

Athene's residential mortgage loan portfolio includes first lien residential mortgage loans collateralized by properties in various geographic locations and is summarized by proportion of the portfolio in the following table:

	March 31, 2023	December 31, 2022
U.S. States		
California	28.5 %	28.9 %
Florida	10.1 %	9.7 %
New York	5.8 %	5.6 %
New Jersey	5.4 %	5.3 %
Arizona	5.0 %	5.1 %
Other ¹	32.8 %	31.7 %
Total U.S. residential mortgage loan percentage	87.6 %	86.3 %
International		
United Kingdom	5.0 %	5.4 %
Other ²	7.4 %	8.3 %
Total international residential mortgage loan percentage	12.4 %	13.7 %
Total residential mortgage loan percentage	100.0 %	100.0 %

¹ Represents all other states, with each individual state comprising less than 5% of the portfolio.

² Represents all other countries, with each individual country comprising less than 5% of the portfolio.

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Investment Funds

Athene's investment fund portfolio consists of funds that employ various strategies and include investments in origination platforms, insurance platforms, and equity, hybrid, yield and other funds. Investment funds can meet the definition of VIEs. The investment funds do not specify timing of distributions on the funds' underlying assets.

The following summarizes Athene's investment funds, including related parties and consolidated VIEs:

<i>(In millions, except percentages)</i>	March 31, 2023		December 31, 2022	
	Carrying value	Percent of total	Carrying value	Percent of total
Investment funds				
Equity funds	\$ 43	55.8 %	\$ 46	58.2 %
Hybrid funds	28	36.4 %	32	40.5 %
Other	6	7.8 %	1	1.3 %
Total investment funds	77	100.0 %	79	100.0 %
Investment funds – related parties				
Strategic origination platforms	35	2.2 %	34	2.2 %
Strategic insurance platforms	1,305	81.8 %	1,259	80.2 %
Apollo and other fund investments				
Equity funds	228	14.3 %	246	15.7 %
Yield funds	5	0.3 %	5	0.3 %
Other	22	1.4 %	25	1.6 %
Total investment funds – related parties	1,595	100.0 %	1,569	100.0 %
Investment funds – consolidated VIEs				
Strategic origination platforms	4,991	39.1 %	4,829	38.7 %
Strategic insurance platforms	515	4.0 %	529	4.2 %
Apollo and other fund investments				
Equity funds	2,710	21.2 %	2,640	21.2 %
Hybrid funds	3,180	24.9 %	3,112	24.9 %
Yield funds	1,091	8.5 %	1,044	8.4 %
Other	288	2.3 %	326	2.6 %
Total investment funds – consolidated VIEs	12,775	100.0 %	12,480	100.0 %
Total investment funds, including related parties and consolidated VIEs	\$ 14,447		\$ 14,128	

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Concentrations—The following table represents Athene’s investment concentrations in excess of 10% of stockholders’ equity:

<i>(In millions)</i>	March 31, 2023
Wheels Donlen ¹	\$ 1,419
PK AirFinance ¹	1,334
Athora ¹	1,279
Atlas ¹	995
AP Tundra	873
MFI Investments	869
	—
	—
<i>(In millions)</i>	December 31, 2022
Wheels Donlen ¹	\$ 1,288
Athora ¹	1,232
PK AirFinance ¹	999
AP Tundra	896
MFI Investments	878
SoftBank Vision Fund II	789
MidCap ¹	788
Cayman Universe	756
Concord Music CL A2	684
Redding Ridge	683
AOP Finance	671

¹ Related party amounts are representative of single issuer risk and may only include a portion of the total investments associated with a related party. See further discussion of these related parties in note 17.

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6. Derivatives

The Company uses a variety of derivative instruments to manage risks, primarily equity, interest rate, credit, foreign currency and market volatility. See note 8 for information about the fair value hierarchy for derivatives.

The following table presents the notional amount and fair value of derivative instruments:

	March 31, 2023			December 31, 2022		
	Notional Amount	Fair Value		Notional Amount	Fair Value	
(In millions)		Assets	Liabilities		Assets	Liabilities
Derivatives designated as hedges						
Foreign currency hedges						
Swaps	6,678	\$ 713	\$ 149	6,677	\$ 747	\$ 154
Forwards	6,380	392	57	6,283	406	52
Interest rate swaps	4,468	—	725	4,468	—	803
Forwards on net investments	217	—	2	216	2	—
Interest rate swaps	10,082	10	83	9,332	9	150
Total derivatives designated as hedges		1,115	1,016		1,164	1,159
Derivatives not designated as hedges						
Equity options	67,730	2,085	106	65,089	1,374	114
Futures	21	56	4	18	33	—
Foreign currency swaps	3,863	266	118	3,563	251	112
Interest rate swaps	523	89	1	488	74	—
Other swaps	137	4	1	89	—	4
Foreign currency forwards	18,250	341	272	16,376	413	257
Embedded derivatives						
Funds withheld, including related parties		(5,557)	(67)		(6,272)	(77)
Interest sensitive contract liabilities		—	6,747		—	5,841
Total derivatives not designated as hedges		(2,716)	7,182		(4,127)	6,251
Total derivatives		<u>\$ (1,601)</u>	<u>\$ 8,198</u>		<u>\$ (2,963)</u>	<u>\$ 7,410</u>

Derivatives Designated as Hedges

Cash Flow Hedges

Athene uses interest rate swaps to convert floating-rate interest payments to fixed-rate interest payments to reduce exposure to interest rate changes. The interest rate swaps will expire by July 2027. During the three months ended March 31, 2023 and 2022, Athene recognized losses of \$73 million and \$0 million, respectively, in OCI associated with these hedges. There were no amounts deemed ineffective during the three months ended March 31, 2023 and 2022. As of March 31, 2023, no amounts are expected to be reclassified to income within the next 12 months.

Fair Value Hedges

Athene uses foreign currency forward contracts, foreign currency swaps, foreign currency interest rate swaps, and interest rate swaps that are designated and accounted for as fair value hedges to hedge certain exposures to foreign currency risk and interest rate risk. The foreign currency forward price is agreed upon at the time of the contract and payment is made at a specified future date.

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The following represents the carrying amount and the cumulative fair value hedging adjustments included in the hedged assets or liabilities:

	March 31, 2023		December 31, 2022	
	Carrying amount of the hedged assets or liabilities ¹	Cumulative amount of fair value hedging gains (losses)	Carrying amount of the hedged assets or liabilities ¹	Cumulative amount of fair value hedging gains (losses)
<i>(In millions)</i>				
AFS securities				
Foreign currency forwards	\$ 5,480	\$ (431)	\$ 5,259	\$ (217)
Foreign currency swaps	4,962	(304)	4,797	(398)
Interest sensitive contract liabilities				
Foreign currency swaps	1,081	(9)	1,081	88
Foreign currency interest rate swaps	4,348	315	4,348	632
Interest rate swaps	7,087	203	6,577	323

¹ The carrying amount disclosed for AFS securities is amortized cost.

The following is a summary of the gains (losses) related to the derivatives and related hedged items in fair value hedge relationships:

				Amount Excluded	
	Derivatives	Hedged Items	Net	Recognized in income through amortization approach	Recognized in income through changes in fair value
<i>(In millions)</i>					
Three months ended March 31, 2023					
Investment related gains (losses)					
Foreign currency forwards	\$ (70)	\$ 73	\$ 3	\$ 87	\$ 4
Foreign currency swaps	(59)	64	5	—	—
Foreign currency interest rate swaps	78	(70)	8	—	—
Interest rate swaps	102	(104)	(2)	—	—
Interest sensitive contract benefits					
Foreign currency interest rate swaps	15	(15)	—	—	—
Three months ended March 31, 2022					
Investment related gains (losses)					
Foreign currency forwards	\$ 127	\$ (126)	\$ 1	\$ 14	\$ 1
Foreign currency swaps	91	(95)	(4)	—	—
Foreign currency interest rate swaps	(159)	197	38	—	—
Interest rate swaps	(72)	75	3	—	—
Interest sensitive contract benefits					
Foreign currency interest rate swaps	10	(9)	1	—	—

The following is a summary of the gains (losses) excluded from the assessment of hedge effectiveness that were recognized in OCI:

	Three months ended March 31,	
	2023	2022
<i>(In millions)</i>		
Foreign currency forwards	\$ 63	\$ (73)
Foreign currency swaps	114	(56)

Net Investment Hedges

Athene uses foreign currency forwards to hedge the foreign currency exchange rate risk of its investments in subsidiaries that have a reporting currency other than the U.S. dollar. Hedge effectiveness is assessed based on the changes in forward rates. During the three months ended March 31, 2023 and 2022, these derivatives had losses of \$4 million and gains of \$2 million, respectively. These derivatives are included in foreign currency translation and other adjustments on the condensed consolidated statements of comprehensive income (loss). As of March 31, 2023 and December 31, 2022, the cumulative foreign

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currency translations recorded in AOCI related to these net investment hedges were gains of \$26 million and \$30 million, respectively. During the three months ended March 31, 2023 and 2022, there were no amounts deemed ineffective.

Derivatives Not Designated as Hedges

Equity options

Athene uses equity indexed options to economically hedge fixed indexed annuity products that guarantee the return of principal to the policyholder and credit interest based on a percentage of the gain in a specified market index, primarily the S&P 500. To hedge against adverse changes in equity indices, Athene enters into contracts to buy equity indexed options. The contracts are net settled in cash based on differentials in the indices at the time of exercise and the strike price.

Futures

Athene purchases futures contracts to hedge the growth in interest credited to the customer as a direct result of increases in the related indices. Athene enters into exchange-traded futures with regulated futures commission clearing brokers who are members of a trading exchange. Under exchange-traded futures contracts, Athene agrees to purchase a specified number of contracts with other parties and to post variation margin on a daily basis in an amount equal to the difference in the daily fair values of those contracts.

Interest rate swaps

Athene uses interest rate swaps to reduce market risks from interest rate changes and to alter interest rate exposure arising from duration mismatches between assets and liabilities. With an interest rate swap, Athene agrees with another party to exchange the difference between fixed-rate and floating-rate interest amounts tied to an agreed upon notional principal amount at specified intervals.

Other swaps – Other swaps include total return swaps and credit default swaps. Athene purchases total rate of return swaps to gain exposure and benefit from a reference asset or index without ownership. Credit default swaps provide a measure of protection against the default of an issuer or allow Athene to gain credit exposure to an issuer or traded index. Athene uses credit default swaps coupled with a bond to synthetically create the characteristics of a reference bond.

Embedded derivatives

Athene has embedded derivatives which are required to be separated from their host contracts and reported as derivatives. Host contracts include reinsurance agreements structured on a modco or funds withheld basis and indexed annuity products.

The following is a summary of the gains (losses) related to derivatives not designated as hedges:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Equity options	\$ 350	\$ (708)
Futures	34	(33)
Swaps	33	63
Foreign currency forwards	(169)	155
Embedded derivatives on funds withheld	603	(2,520)
Amounts recognized in investment related gains (losses)	851	(3,043)
Embedded derivatives in indexed annuity products ¹	(473)	1,034
Total gains (losses) on derivatives not designated as hedges	\$ 378	\$ (2,009)

¹ Included in interest sensitive contract benefits on the condensed consolidated statements of operations.

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Credit Risk

The Company may be exposed to credit-related losses in the event of counterparty nonperformance on derivative financial instruments. Generally, the current credit exposure of Athene's derivative contracts is the fair value at the reporting date less any collateral received from the counterparty.

Athene manages credit risk related to over-the-counter derivatives by entering into transactions with creditworthy counterparties. Where possible, Athene maintains collateral arrangements and uses master netting agreements that provide for a single net payment from one counterparty to another at each due date and upon termination. Athene has also established counterparty exposure limits, where possible, in order to evaluate if there is sufficient collateral to support the net exposure.

Collateral arrangements typically require the posting of collateral in connection with its derivative instruments. Collateral agreements often contain posting thresholds, some of which may vary depending on the posting party's financial strength ratings. Additionally, a decrease in Athene's financial strength rating to a specified level can result in settlement of the derivative position.

The estimated fair value of net derivative and other financial assets and liabilities after the application of master netting agreements and collateral were as follows:

	Gross amounts not offset on the condensed consolidated statements of financial condition					
(In millions)	Gross amount recognized ¹	Financial instruments ²	Collateral (received)/pledged	Net amount	Off-balance sheet securities collateral ³	Net amount after securities collateral
March 31, 2023						
Derivative assets	\$ 3,956	\$ (1,456)	\$ (2,411)	\$ 89	\$ —	\$ 89
Derivative liabilities	(1,518)	1,456	506	444	—	444
December 31, 2022						
Derivative assets	\$ 3,309	\$ (1,477)	\$ (1,952)	\$ (120)	\$ —	\$ (120)
Derivative liabilities	(1,646)	1,477	478	309	—	309

¹ The gross amounts of recognized derivative assets and derivative liabilities are reported on the condensed consolidated statements of financial condition. As of March 31, 2023 and December 31, 2022, amounts not subject to master netting or similar agreements were immaterial.

² Represents amounts offsetting derivative assets and derivative liabilities that are subject to an enforceable master netting agreement or similar agreement that are not netted against the gross derivative assets or gross derivative liabilities for presentation on the condensed consolidated statements of financial condition.

³ For non-cash collateral received, the Company does not recognize the collateral on the condensed consolidated statement of financial condition unless the obligor (transferor) has defaulted under the terms of the secured contract and is no longer entitled to redeem the pledged asset. Amounts do not include any excess of collateral pledged or received.

7. Variable Interest Entities

A variable interest in a VIE is an investment or other interest that will absorb portions of the VIE's expected losses and/or receive expected residual returns. Refer to note 2 for more details about the Company's VIE assessment and consolidation policy. Variable interests in consolidated VIEs and unconsolidated VIEs are discussed separately below.

Consolidated VIEs

Consolidated VIEs include consolidated SPACs as well as certain CLOs and funds managed by the Company. The financial information for these consolidated SPACs is disclosed in note 17.

The assets of consolidated VIEs are not available to creditors of the Company, and the investors in these consolidated VIEs have no recourse against the assets of the Company. Similarly, there is no recourse to the Company for the consolidated VIEs' liabilities.

Other assets of the consolidated funds include interest receivables, receivables from affiliates and reverse repurchase agreements. Other liabilities include debt held at amortized cost, short-term payables and repurchase agreements.

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Each series of notes in a respective consolidated VIE participates in distributions from the VIE, including principal and interest from underlying investments. Amounts allocated to the noteholders reflect amounts that would be distributed if the VIE's affairs were wound up and its assets sold for cash equal to their respective carrying values, its liabilities satisfied in accordance with their terms, and all the remaining amounts distributed to the noteholders. The respective VIEs that issue the notes payable are marked at their prevailing net asset value, which approximates fair value.

Results from certain funds managed by Apollo are reported on a three-month lag based upon the availability of financial information.

Net Gains (Losses) from Investment Activities of Consolidated Variable Interest Entities—Asset Management

The following table presents net gains (losses) from investment activities of the consolidated VIEs:

	Three months ended March 31,	
	2023 ¹	2022 ¹
(In millions)		
Net gains (losses) from investment activities	\$ 30	\$ 137
Net gains (losses) from debt	—	31
Interest and other income	33	208
Interest and other expenses	(29)	(9)
Net gains (losses) from investment activities of consolidated variable interest entities	<u>\$ 34</u>	<u>\$ 367</u>

¹ Amounts reflect consolidation eliminations.

Subscription Lines

Included within notes payable and other liabilities are amounts due to third-party institutions by the consolidated VIEs. The following table summarizes the principal provisions of those amounts:

	March 31, 2023			December 31, 2022		
	Principal Outstanding	Weighted Average Interest Rate	Weighted Average Remaining Maturity in Years	Principal Outstanding	Weighted Average Interest Rate	Weighted Average Remaining Maturity in Years
(In millions, except percentages)						
Asset Management						
Subscription lines ¹	\$ 1,287	6.65 %	0.09	\$ 686	6.22 %	0.08

¹ The subscription lines of the consolidated VIEs are collateralized by assets held by each respective vehicle and assets of one vehicle may not be used to satisfy the liabilities of another vehicle.

The consolidated VIEs' debt obligations contain various customary loan covenants. As of March 31, 2023, the Company was not aware of any instances of non-compliance with any of these covenants.

Repurchase Agreements

The following table summarizes the maturities of repurchase agreements:

Remaining Contractual Maturity	As of March 31, 2023	As of December 31, 2022
91 days to 364 days	\$ —	\$ 1,254
Total payables for repurchase agreements ⁽¹⁾	<u>\$ —</u>	<u>\$ 1,254</u>

⁽¹⁾ Included in other liabilities of consolidated variable interest entities on the condensed consolidated statements of financial condition.

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The following table summarizes the gross carrying value of repurchase agreements by class of collateral pledged:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
Loans backed by residential real estate	\$ —	\$ 770
Loans backed by commercial real estate	—	484
Total	\$ —	\$ 1,254

Note: These repurchase agreements are carried at cost which approximates fair value and is classified as Level 2 of the fair value hierarchy.

Reverse Repurchase Agreements

As of March 31, 2023 and December 31, 2022, fair value of collateral received under reverse repurchase agreements was \$10 million and \$1,522 million, respectively, and fair value of collateral rehypothecated was \$0 million and \$1,522 million, respectively.

Revenues of Consolidated Variable Interest Entities—Retirement Services

The following summarizes the statements of operations activity of the consolidated VIEs:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Trading securities	\$ 23	\$ —
Mortgage loans	24	20
Investment funds	35	1
Net investment income	82	21
Net recognized investment gains (losses) on trading securities	6	—
Net recognized investment losses on mortgage loans	9	(112)
Net recognized investment gains (losses) on investment funds	224	70
Other gains (losses)	(40)	—
Investment related gains (losses)	199	(42)
Revenues of consolidated variable interest entities	\$ 281	\$ (21)

Unconsolidated Variable Interest Entities—Asset Management

The following table presents the maximum exposure to losses relating to these VIEs for which Apollo has concluded that it holds a significant variable interest, but that it is not the primary beneficiary.

<i>(In millions)</i>	March 31, 2023 ²	December 31, 2022 ²
Maximum Loss Exposure ¹	\$ 317	\$ 343

¹ Represents Apollo's direct investment in those entities in which it holds a significant variable interest and certain other investments. Additionally, cumulative performance allocations are subject to reversal in the event of future losses.

² Some amounts included are a quarter in arrears.

Unconsolidated Variable Interest Entities—Retirement Services

The Company has variable interests in certain unconsolidated VIEs in the form of securities and ownership stakes in investment funds.

Fixed maturity securities

Athene invests in securitization entities as a debt holder or an investor in the residual interest of the securitization vehicle. These entities are deemed VIEs due to insufficient equity within the structure and lack of control by the equity investors over the activities that significantly impact the economics of the entity. In general, Athene is a debt investor within these entities and, as such, holds a variable interest; however, due to the debt holders' lack of ability to control the decisions within the trust that significantly impact the entity, and the fact the debt holders are protected from losses due to the subordination of the equity

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tranche, the debt holders are not deemed the primary beneficiary. Securitization vehicles in which Athene holds the residual tranche are not consolidated because Athene does not unilaterally have substantive rights to remove the general partner, or when assessing related party interests, Athene is not under common control, as defined by U.S. GAAP, with the related parties, nor are substantially all of the activities conducted on Athene's behalf; therefore, Athene is not deemed the primary beneficiary. Debt investments and investments in the residual tranche of securitization entities are considered debt instruments and are held at fair value on the condensed consolidated statements of financial condition and classified as AFS or trading.

Investment funds

Investment funds include non-fixed income, alternative investments in the form of limited partnerships or similar legal structures.

Equity securities

Athene invests in preferred equity securities issued by entities deemed to be VIEs due to insufficient equity within the structure.

Athene's risk of loss associated with its non-consolidated investments depends on the investment. Investment funds, equity securities and trading securities are limited to the carrying value plus unfunded commitments. AFS securities are limited to amortized cost plus unfunded commitments.

The following summarizes the carrying value and maximum loss exposure of these non-consolidated investments:

	March 31, 2023		December 31, 2022	
	Carrying Value	Maximum Loss Exposure	Carrying Value	Maximum Loss Exposure
<i>(In millions)</i>				
Investment funds	\$ 77	\$ 518	\$ 79	\$ 340
Investment in related parties – investment funds	1,595	2,251	1,569	2,253
Assets of consolidated VIEs – investment funds	12,775	20,267	12,480	20,278
Investment in fixed maturity securities	39,373	42,555	37,454	40,992
Investment in related parties – fixed maturity securities	11,624	12,101	9,717	10,290
Investment in related parties – equity securities	251	251	279	279
Total non-consolidated investments	\$ 65,695	\$ 77,943	\$ 61,578	\$ 74,432

8. Fair Value

Fair Value Measurements of Financial Instruments

The following summarize the Company's financial assets and liabilities recorded at fair value hierarchy level:

	March 31, 2023				
	Level 1	Level 2	Level 3	NAV	Total
<i>(In millions)</i>					
Assets					
Asset Management					
Cash and cash equivalents	\$ 1,255	\$ —	\$ —	\$ —	\$ 1,255
Restricted cash and cash equivalents ¹	1,061	—	—	—	1,061
Cash and cash equivalents of VIEs	123	—	—	—	123
U.S. Treasury securities	419	—	—	—	419
Investments, at fair value	194	39	1,116 ²	3	1,352
Investments of VIEs	—	369	1,282	112	1,763
Due from related parties ³	—	—	33	—	33
Derivative assets ⁴	—	17	15	—	32
Total Assets – Asset Management	3,052	425	2,446	115	6,038

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	March 31, 2023				
	Level 1	Level 2	Level 3	NAV	Total
<i>(In millions)</i>					
Retirement Services					
AFS Securities					
U.S. government and agencies	2,697	6	—	—	2,703
U.S. state, municipal and political subdivisions	—	966	—	—	966
Foreign governments	—	921	1	—	922
Corporate	9	61,510	1,622	—	63,141
CLO	—	17,566	—	—	17,566
ABS	—	5,931	4,942	—	10,873
CMBS	—	4,190	—	—	4,190
RMBS	—	6,114	238	—	6,352
Total AFS securities	2,706	97,204	6,803	—	106,713
Trading securities	24	1,586	42	—	1,652
Equity securities	273	624	71	—	968
Mortgage loans	—	—	29,949	—	29,949
Funds withheld at interest – embedded derivative	—	—	(4,291)	—	(4,291)
Derivative assets	66	3,890	—	—	3,956
Short-term investments	1	551	30	—	582
Other investments	—	215	286	—	501
Cash and cash equivalents	13,844	—	—	—	13,844
Restricted cash and cash equivalents	1,148	—	—	—	1,148
Investments in related parties					
AFS securities					
Corporate	—	168	959	—	1,127
CLO	—	3,015	498	—	3,513
ABS	—	221	7,005	—	7,226
Total AFS securities – related parties	—	3,404	8,462	—	11,866
Trading securities	—	—	885	—	885
Equity securities	—	—	251	—	251
Mortgage loans	—	—	1,324	—	1,324
Investment funds	—	—	1,034	—	1,034
Funds withheld at interest – embedded derivative	—	—	(1,266)	—	(1,266)
Other investments	—	—	338	—	338
Reinsurance recoverable	—	—	1,470	—	1,470
Other assets ⁷	—	—	440	—	440
Assets of consolidated VIEs					
Trading securities	—	421	648	—	1,069
Mortgage loans	—	—	2,119	—	2,119
Investment funds	—	—	2,581	10,194	12,775
Other investments	—	2	97	—	99
Cash and cash equivalents	654	—	—	—	654
Total Assets – Retirement Services	18,716	107,897	51,273	10,194	188,080
Total Assets	\$ 21,768	\$ 108,322	\$ 53,719	\$ 10,309	\$ 194,118
Liabilities					
Asset Management					
Contingent consideration obligations ⁵	\$ —	\$ —	\$ 78	\$ —	\$ 78
Other liabilities ⁶	1	—	—	—	1
Total Liabilities – Asset Management	1	—	78	—	79
Retirement Services					
Interest sensitive contract liabilities					
Embedded derivative	—	—	6,747	—	6,747
Universal life benefits	—	—	879	—	879
Future policy benefits					
AmerUs closed block	—	—	1,190	—	1,190
ILICO closed block and life benefits	—	—	579	—	579

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(In millions)	March 31, 2023				
	Level 1	Level 2	Level 3	NAV	Total
Market risk benefits ⁷	—	—	3,203	—	3,203
Derivative liabilities	24	1,493	1	—	1,518
Other liabilities	—	(67)	189	—	122
Total Liabilities – Retirement Services	24	1,426	12,788	—	14,238
Total Liabilities	\$ 25	\$ 1,426	\$ 12,866	\$ —	\$ 14,317

(In millions)	December 31, 2022				
	Level 1	Level 2	Level 3	NAV	Total
Assets					
Asset Management					
Cash and cash equivalents	\$ 1,201	\$ —	\$ —	\$ —	\$ 1,201
Restricted cash and cash equivalents ¹	1,048	—	—	—	1,048
Cash and cash equivalents of VIEs	110	—	—	—	110
U.S. Treasury securities	709	—	—	—	709
Investments, at fair value	190	39	1,083 ²	8	1,320
Investments of VIEs	—	1,537	727	105	2,369
Due from related parties ³	—	—	43	—	43
Derivative assets ⁴	—	—	15	—	15
Total Assets – Asset Management	3,258	1,576	1,868	113	6,815
Retirement Services					
AFS Securities					
U.S. government and agencies	2,570	7	—	—	2,577
U.S. state, municipal and political subdivisions	—	927	—	—	927
Foreign governments	—	906	1	—	907
Corporate	—	59,236	1,665	—	60,901
CLO	—	16,493	—	—	16,493
ABS	—	5,660	4,867	—	10,527
CMBS	—	4,158	—	—	4,158
RMBS	—	5,682	232	—	5,914
Total AFS securities	2,570	93,069	6,765	—	102,404
Trading securities	23	1,519	53	—	1,595
Equity securities	150	845	92	—	1,087
Mortgage loans	—	—	27,454	—	27,454
Funds withheld at interest – embedded derivative	—	—	(4,847)	—	(4,847)
Derivative assets	42	3,267	—	—	3,309
Short-term investments	29	455	36	—	520
Other investments	—	170	441	—	611
Cash and cash equivalents	7,779	—	—	—	7,779
Restricted cash and cash equivalents	628	—	—	—	628
Investments in related parties					
AFS securities					
Corporate	—	170	812	—	982
CLO	—	2,776	303	—	3,079
ABS	—	218	5,542	—	5,760
Total AFS securities – related parties	—	3,164	6,657	—	9,821
Trading securities	—	—	878	—	878
Equity securities	—	—	279	—	279
Mortgage loans	—	—	1,302	—	1,302
Investment funds	—	—	959	—	959
Funds withheld at interest – embedded derivative	—	—	(1,425)	—	(1,425)
Other investments	—	—	303	—	303
Reinsurance recoverable	—	—	1,388	—	1,388

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	December 31, 2022				
(In millions)	Level 1	Level 2	Level 3	NAV	Total
Other assets ⁷	—	—	481	—	481
Assets of consolidated VIEs					
Trading securities	5	436	622	—	1,063
Mortgage loans	—	—	2,055	—	2,055
Investment funds	—	—	2,471	10,009	12,480
Other investments	—	2	99	—	101
Cash and cash equivalents	362	—	—	—	362
Total Assets – Retirement Services	11,588	102,927	46,063	10,009	170,587
Total Assets	\$ 14,846	\$ 104,503	\$ 47,931	\$ 10,122	\$ 177,402
Liabilities					
Asset Management					
Contingent consideration obligations ⁵	\$ —	\$ —	\$ 86	\$ —	\$ 86
Other liabilities ⁶	2	—	—	—	2
Derivative liabilities ⁴	—	57	—	—	57
Total Liabilities – Asset Management	2	57	86	—	145
Retirement Services					
Interest sensitive contract liabilities					
Embedded derivative	—	—	5,841	—	5,841
Universal life benefits	—	—	829	—	829
Future policy benefits					
AmerUs closed block	—	—	1,164	—	1,164
ILICO closed block and life benefits	—	—	548	—	548
Market risk benefits ⁷	—	—	2,970	—	2,970
Derivative liabilities	38	1,607	1	—	1,646
Other liabilities	—	(77)	142	—	65
Total Liabilities – Retirement Services	38	1,530	11,495	—	13,063
Total Liabilities	\$ 40	\$ 1,587	\$ 11,581	\$ —	\$ 13,208

¹ Restricted cash and cash equivalents as of March 31, 2023 and December 31, 2022 includes \$ 1.1 billion and \$ 1.0 billion, respectively, of restricted cash and cash equivalents held by consolidated SPACs.

² Investments as of March 31, 2023 and December 31, 2022 excludes \$ 194 million and \$ 198 million, respectively, of performance allocations classified as Level 3 related to certain investments for which the Company elected the fair value option. The Company's policy is to account for performance allocations as investments.

³ Due from related parties represents a receivable from a fund.

⁴ Derivative assets and derivative liabilities are presented as a component of Other assets and Other liabilities, respectively, in the condensed consolidated statements of financial condition.

⁵ As of March 31, 2023 and December 31, 2022, other liabilities includes \$ 25 million and \$ 31 million, respectively, of contingent obligations related to the Griffin Capital acquisition, classified as Level 3 and profit sharing payable includes \$53 million and \$ 55 million, respectively, related to contingent obligations classified as Level 3.

⁶ Other liabilities as of March 31, 2023 and December 31, 2022 includes the publicly traded warrants of APSG II.

⁷ Other assets consists of market risk benefits assets. See note 10 for additional information on market risk benefits assets and liabilities valuation methodology and additional fair value disclosures.

Changes in fair value of contingent consideration obligations in connection with the acquisitions of Stone Tower and Griffin Capital are recorded in compensation and benefits expense and other income (loss), net, respectively, in the condensed consolidated statements of operations. Refer to note 18 for further details.

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Level 3 Financial Instruments

The following tables summarize the valuation techniques and quantitative inputs and assumptions used for financial assets and liabilities categorized as Level 3:

March 31, 2023					
	Fair Value (In millions)	Valuation Technique	Unobservable Inputs	Ranges	Weighted Average
Financial Assets					
Asset Management					
Investments	\$ 547	Embedded value	N/A	N/A	N/A
	127	Discounted cash flow	Discount rate	9.2% – 52.8%	29.0% ¹
	442	Adjusted transaction value	N/A	N/A	N/A
Due from related parties	33	Discounted cash flow	Discount rate	14.5%	14.5%
Derivative assets	15	Option model	Volatility rate	70.0%	70.0%
Investments of consolidated VIEs					
Bank loans	790	Discounted cash flow	Discount rate	7.2% – 35.4%	7.5% ¹
		Adjusted transaction value	N/A	N/A	N/A
Equity securities	468	Dividend discount model	Discount rate	12.9%	12.9%
Bonds	24	Discounted cash flow	Discount rate	8.2% -10.5%	10.5% ¹
Retirement Services					
AFS, trading and equity securities	12,271	Discounted cash flow	Discount rate	2% – 18.7%	6.7% ¹
Mortgage loans ²	33,392	Discounted cash flow	Discount rate	2.1% – 22.3%	6.3% ¹
Investment funds ²	650	Discounted cash flow	Discount rate	6.4% – 14.7%	8.4%
	899	Discounted cash flow / Guideline public equity	Discount rate / P/E	17.0% /8.5x	17.0% / 8.5x
	515	Net tangible asset values	Implied multiple	1.26x	1.26x
	517	Reported net asset value	Reported net asset value	N/A	N/A
	1,034	Embedded value	N/A	N/A	N/A
Financial Liabilities					
Asset Management					
Contingent consideration obligations	78	Discounted cash flow	Discount rate	20.6% – 29.0%	25.3% ¹
		Option model	Volatility rate	31.5% – 41.5%	36.5% ¹
Retirement Services					
Interest sensitive contract liabilities – fixed indexed annuities embedded derivatives	6,747	Discounted cash flow	Nonperformance risk	0.3% – 1.8%	1.3% ³
			Option budget	0.5% – 5.7%	2.0% ⁴
			Surrender rate	5.2% – 11.7%	8.1% ⁴

¹ Unobservable inputs were weighted based on the fair value of the investments included in the range.

² Includes those of consolidated VIEs.

³ The nonperformance risk weighted average is based on the projected cash flows attributable to the embedded derivative.

⁴ The option budget and surrender rate weighted averages are calculated based on projected account values.

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December 31, 2022					
	Fair Value (In millions)	Valuation Techniques	Unobservable Inputs	Ranges	Weighted Average
Financial Assets					
Asset Management					
Investments	\$ 526	Embedded value	N/A	N/A	N/A
	128	Discounted cash flow	Discount rate	8.9% – 52.8%	28.7% ¹
	429	Adjusted transaction value	N/A	N/A	N/A
Due from related parties	43	Discounted cash flow	Discount rate	15.0%	15.0%
Derivative assets	15	Option model	Volatility rate	60.0%	60.0%
Investments of consolidated VIEs					
Equity securities	458	Dividend discount model	Discount rate	12.1%	12.1%
Bank loans	244	Discounted cash flow	Discount rate	6.4% – 32.7%	8.0% ¹
		Adjusted transaction value	N/A	N/A	N/A
Bonds	25	Discounted cash flow	Discount rate	7.9%	7.9%
Retirement Services					
AFS, trading and equity securities	10,671	Discounted cash flow	Discount rate	2.2% – 18.8%	6.8% ¹
Mortgage loans ²	30,811	Discounted cash flow	Discount rate	1.5% – 22.1%	6.3% ¹
Investment funds ²	506	Discounted cash flow	Discount rate	6.4%	6.4%
	873	Discounted cash flow / Guideline public equity	Discount rate / P/E	16.5% / 9x	16.5% / 9x
	529	Net tangible asset values	Implied multiple	1.26x	1.26x
	563	Reported net asset value	Reported net asset value	N/A	N/A
	959	Embedded value	N/A	N/A	N/A
Financial Liabilities					
Contingent consideration obligations	86	Discounted cash flow	Discount rate	20.0% – 25.0%	22.7% ¹
		Option model	Volatility rate	29.8% – 39.6%	34.7% ¹
Retirement Services					
Interest sensitive contract liabilities – fixed indexed annuities embedded derivatives	5,841	Discounted cash flow	Nonperformance risk	0.1% – 1.7%	1.0% ³
			Option budget	0.5% – 5.3%	1.9% ⁴
			Surrender rate	5.1% – 11.5%	8.1% ⁴

¹ Unobservable inputs were weighted based on the fair value of the investments included in the range.

² Includes those of consolidated VIEs.

³ The nonperformance risk weighted average is based on the projected cash flows attributable to the embedded derivative.

⁴ The option budget and surrender rate weighted averages are calculated based on projected account values.

The following are reconciliations for Level 3 assets and liabilities measured at fair value on a recurring basis:

Three Months Ended March 31, 2023								
<i>(In millions)</i>	Total realized and unrealized gains (losses)			Net purchases, issuances, sales and settlements	Net transfers in (out)	Ending balance	Total gains (losses) included in earnings¹	Total gains (losses) included in OCI¹
	Beginning balance	Included in income	Included in OCI					
Assets – Asset Management								
Investments and derivative assets	\$ 1,098	\$ 26	\$ —	\$ 7	\$ —	\$ 1,131	\$ 26	\$ —
Investments of Consolidated VIEs	727	34	—	523	(2)	1,282	9	—
Total Level 3 assets – Asset Management	<u>\$ 1,825</u>	<u>\$ 60</u>	<u>\$ —</u>	<u>\$ 530</u>	<u>\$ (2)</u>	<u>\$ 2,413</u>	<u>\$ 35</u>	<u>\$ —</u>

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	Three Months Ended March 31, 2023								
	Total realized and unrealized gains (losses)			Net purchases, issuances, sales and settlements	Net transfers in (out)	Ending balance	Total gains (losses) included in earnings ¹	Total gains (losses) included in OCI ¹	
(In millions)	Beginning balance	Included in income	Included in OCI						
Assets – Retirement Services									
AFS securities									
Foreign governments	\$ 1	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —	\$ —	
Corporate	1,665	(1)	12	126	(180)	1,622	—	6	
ABS	4,867	—	(19)	155	(61)	4,942	—	(16)	
RMBS	232	3	3	—	—	238	—	3	
Trading securities	53	2	—	(4)	(9)	42	1	—	
Equity securities	92	(8)	—	—	(13)	71	(8)	—	
Mortgage loans	27,454	251	—	2,244	—	29,949	252	—	
Funds withheld at interest – embedded derivative	(4,847)	556	—	—	—	(4,291)	—	—	
Short-term investments	36	—	(2)	(30)	26	30	—	—	
Other investments	441	1	—	(156)	—	286	2	—	
Investments in related parties									
AFS securities									
Corporate	812	1	(7)	153	—	959	—	(7)	
CLO	303	—	10	185	—	498	—	10	
ABS	5,542	4	44	1,415	—	7,005	2	42	
Trading securities	878	6	—	1	—	885	6	—	
Equity securities	279	4	—	(32)	—	251	3	—	
Mortgage loans	1,302	26	—	(4)	—	1,324	26	—	
Investment funds	959	43	—	32	—	1,034	43	—	
Funds withheld at interest – embedded derivative	(1,425)	159	—	—	—	(1,266)	—	—	
Other investments	303	(7)	—	42	—	338	(7)	—	
Reinsurance recoverable	1,388	82	—	—	—	1,470	—	—	
Assets of consolidated VIEs									
Trading securities	622	12	—	(2)	16	648	12	—	
Mortgage loans	2,055	19	—	45	—	2,119	19	—	
Investment funds	2,471	18	—	(8)	100	2,581	18	—	
Other investments	99	—	—	(2)	—	97	—	—	
Total Level 3 assets – Retirement Services	\$ 45,582	\$ 1,171	\$ 41	\$ 4,160	\$ (121)	\$ 50,833	\$ 369	\$ 38	
Liabilities – Asset Management									
Contingent consideration obligations	\$ 86	\$ (8)	\$ —	\$ —	\$ —	\$ 78	\$ —	\$ —	
Total Level 3 liabilities – Asset Management	\$ 86	\$ (8)	\$ —	\$ —	\$ —	\$ 78	\$ —	\$ —	
Liabilities – Retirement Services									
Interest sensitive contract liabilities									
Embedded derivative	\$ (5,841)	\$ (473)	\$ —	\$ (433)	\$ —	\$ (6,747)	\$ —	\$ —	
Universal life benefits	(829)	(50)	—	—	—	(879)	—	—	
Future policy benefits									
AmerUs Closed Block	(1,164)	(26)	—	—	—	(1,190)	—	—	
ILICO Closed Block and life benefits	(548)	(31)	—	—	—	(579)	—	—	
Derivative liabilities	(1)	—	—	—	—	(1)	—	—	
Other liabilities	(142)	(47)	—	—	—	(189)	—	—	
Total Level 3 liabilities – Retirement Services	\$ (8,525)	\$ (627)	\$ —	\$ (433)	\$ —	\$ (9,585)	\$ —	\$ —	

¹ Related to instruments held at end of period.

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Three Months Ended March 31, 2022								
(In millions)	Total realized and unrealized gains (losses)			Net purchases, issuances, sales and settlements	Net transfers in (out)	Ending balance	Total gains (losses) included in earnings ¹	Total gains (losses) included in OCI ¹
	Beginning balance	Included in income	Included in OCI					
Assets – Asset Management								
Investments	\$ 946	\$ 18	\$ —	\$ 101	\$ 22	\$ 1,087	\$ 18	\$ —
Investments of Consolidated VIEs	13,188	216	—	1,129	(13,602)	931	(3)	—
Total Level 3 assets – Asset Management	\$ 14,134	\$ 234	\$ —	\$ 1,230	\$ (13,580)	\$ 2,018	\$ 15	\$ —
Assets – Retirement Services								
AFS securities								
Foreign governments	\$ 2	\$ —	\$ —	\$ —	\$ —	\$ 2	\$ —	\$ —
Corporate	1,339	(3)	(19)	140	42	1,499	—	(19)
CLO	14	(1)	2	(10)	—	5	—	2
ABS	3,619	6	(31)	(148)	337	3,783	—	(30)
CMBS	43	—	(17)	—	(16)	10	—	(17)
Trading securities	69	(5)	—	6	20	90	—	—
Equity securities	429	9	—	—	—	438	—	—
Mortgage loans	21,154	(744)	—	3,286	—	23,696	(741)	—
Investment funds	18	1	—	—	—	19	1	—
Funds withheld at interest – embedded derivative	—	(1,882)	—	—	—	(1,882)	—	—
Short-term investments	29	—	—	30	—	59	9	—
Investments in related parties								
AFS securities								
Corporate	670	(4)	1	94	—	761	—	1
CLO	202	—	—	130	—	332	—	—
ABS	6,445	(17)	(10)	(145)	(1,864)	4,409	—	(10)
Trading securities	1,771	(5)	—	(254)	(1,260)	252	—	—
Equity securities	284	(5)	—	—	(113)	166	—	—
Mortgage loans	1,369	(52)	—	139	—	1,456	(52)	—
Investment funds	2,855	24	—	(34)	(2,031)	814	24	—
Funds withheld at interest – embedded derivative	—	(570)	—	—	—	(570)	—	—
Short-term investments	—	—	—	53	—	53	—	—
Reinsurance recoverable	1,991	(177)	—	—	—	1,814	—	—
Assets of consolidated VIEs								
Mortgage loans	2,152	(120)	—	(152)	—	1,880	(120)	—
Investment funds	1,297	(5)	—	238	9,047	10,577	(5)	—
Other investments	—	—	—	—	1,902	1,902	—	—
Total Level 3 assets – Retirement Services	\$ 45,752	\$ (3,550)	\$ (74)	\$ 3,373	\$ 6,064	\$ 51,565	\$ (884)	\$ (73)
Liabilities – Asset Management								
Contingent consideration obligations	\$ 126	\$ (3)	\$ —	\$ (13)	\$ —	\$ 110	\$ —	\$ —
Debt and other liabilities of consolidated VIEs	7,528	(28)	—	1,126	(8,626)	—	—	—
Total Level 3 liabilities – Asset Management	\$ 7,654	\$ (31)	\$ —	\$ 1,113	\$ (8,626)	\$ 110	\$ —	\$ —
Liabilities – Retirement Services								
Interest sensitive contract liabilities								
Embedded derivative	\$ (7,408)	\$ 1,034	\$ —	\$ (111)	\$ —	\$ (6,485)	\$ —	\$ —
Universal life benefits	(1,235)	139	—	—	—	(1,096)	—	—
Future policy benefits								
AmerUs Closed Block	(1,520)	142	—	—	—	(1,378)	—	—
ILICO Closed Block and life benefits	(742)	38	—	—	—	(704)	—	—

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Three Months Ended March 31, 2022								
(In millions)	Total realized and unrealized gains (losses)			Net purchases, issuances, sales and settlements	Net transfers in (out)	Ending balance	Total gains (losses) included in earnings ¹	Total gains (losses) included in OCI ¹
	Beginning balance	Included in income	Included in OCI					
Derivative liabilities	(3)	—	—	—	—	(3)	—	—
Liabilities of consolidated VIEs – debt	—	—	—	—	(3,645)	(3,645)	—	—
Total Level 3 liabilities – Retirement Services	\$ (10,908)	\$ 1,353	\$ —	\$ (111)	\$ (3,645)	\$ (13,311)	\$ —	\$ —

¹ Related to instruments held at end of period.

The following represents the gross components of purchases, issuances, sales and settlements, net, and net transfers in (out) shown above:

Three Months Ended March 31, 2023								
(In millions)	Purchases	Issuances	Sales	Settlements	Net purchases, issuances, sales and settlements	Transfers In	Transfers Out	Net Transfers In (Out)
Assets – Asset Management								
Investments and derivative assets	\$ 8	\$ —	\$ (1)	\$ —	\$ 7	\$ —	\$ —	\$ —
Investments of consolidated VIEs	871	—	(348)	—	523	—	(2)	(2)
Total Level 3 assets – Asset Management	\$ 879	\$ —	\$ (349)	\$ —	\$ 530	\$ —	\$ (2)	\$ (2)
Assets – Retirement Services								
AFS securities								
Corporate	\$ 208	\$ —	\$ —	\$ (82)	\$ 126	\$ 29	\$ (209)	\$ (180)
ABS	298	—	—	(143)	155	215	(276)	(61)
RMBS	1	—	—	(1)	—	—	—	—
Trading securities	—	—	—	(4)	(4)	5	(14)	(9)
Equity securities	—	—	—	—	—	—	(13)	(13)
Mortgage loans	2,882	—	(32)	(606)	2,244	—	—	—
Short-term investments	—	—	—	(30)	(30)	26	—	26
Other investments	2	—	—	(158)	(156)	—	—	—
Investments in related parties								
AFS securities								
Corporate	156	—	—	(3)	153	—	—	—
CLO	185	—	—	—	185	—	—	—
ABS	1,634	—	—	(219)	1,415	—	—	—
Trading securities	2	—	—	(1)	1	—	—	—
Equity securities	—	—	—	(32)	(32)	—	—	—
Mortgage loans	—	—	—	(4)	(4)	—	—	—
Investment funds	32	—	—	—	32	—	—	—
Other investments	42	—	—	—	42	—	—	—
Assets of consolidated VIEs								
Trading securities	10	—	(12)	—	(2)	19	(3)	16
Mortgage loans	46	—	—	(1)	45	—	—	—
Investment funds	—	—	(8)	—	(8)	148	(48)	100
Other investments	5	—	(7)	—	(2)	—	—	—
Total Level 3 assets – Retirement Services	\$ 5,503	\$ —	\$ (59)	\$ (1,284)	\$ 4,160	\$ 442	\$ (563)	\$ (121)

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Three Months Ended March 31, 2023								
(In millions)	Purchases	Issuances	Sales	Settlements	Net purchases, issuances, sales and settlements	Transfers In	Transfers Out	Net Transfers In (Out)
Liabilities – Retirement Services								
Interest sensitive contract liabilities - Embedded derivative	\$ —	\$ (577)	\$ —	\$ 144	\$ (433)	\$ —	\$ —	\$ —
Total Level 3 liabilities – Retirement Services	\$ —	\$ (577)	\$ —	\$ 144	\$ (433)	\$ —	\$ —	\$ —
Three Months Ended March 31, 2022								
(In millions)	Purchases	Issuances	Sales	Settlements	Net purchases, issuances, sales and settlements	Transfers In ¹	Transfers Out ²	Net Transfers In (Out)
Assets – Asset Management								
Investments	\$ 104	\$ —	\$ (3)	\$ —	\$ 101	\$ 22	\$ —	\$ 22
Investments of consolidated VIEs	2,469	—	(1,340)	—	1,129	453	(14,055)	(13,602)
Total Level 3 assets – Asset Management	\$ 2,573	\$ —	\$ (1,343)	\$ —	\$ 1,230	\$ 475	\$ (14,055)	\$ (13,580)
Assets – Retirement Services								
AFS securities								
Corporate	\$ 324	\$ —	\$ (168)	\$ (16)	\$ 140	\$ 43	\$ (1)	\$ 42
CLO	—	—	—	(10)	(10)	—	—	—
ABS	1,489	—	(1,450)	(187)	(148)	338	(1)	337
CMBS	—	—	—	—	—	—	(16)	(16)
Trading securities	6	—	—	—	6	30	(10)	20
Mortgage loans	4,091	—	(82)	(723)	3,286	—	—	—
Short-term investments	30	—	—	—	30	—	—	—
Investments in related parties								
AFS securities	—	—	—	—	—	—	—	—
Corporate	315	—	(217)	(4)	94	—	—	—
CLO	130	—	—	—	130	—	—	—
ABS	374	—	(87)	(432)	(145)	—	(1,864)	(1,864)
Trading securities	29	—	(265)	(18)	(254)	—	(1,260)	(1,260)
Equity securities	—	—	—	—	—	—	(113)	(113)
Mortgage loans	146	—	—	(7)	139	—	—	—
Investment funds	—	—	(34)	—	(34)	—	(2,031)	(2,031)
Short-term investments	53	—	—	—	53	—	—	—
Assets of consolidated VIEs								
Mortgage loans	—	—	—	(152)	(152)	—	—	—
Investment funds	253	—	(15)	—	238	10,081	(1,034)	9,047
Other investments	—	—	—	—	—	1,902	—	1,902
Total Level 3 assets – Retirement Services	\$ 7,240	\$ —	\$ (2,318)	\$ (1,549)	\$ 3,373	\$ 12,394	\$ (6,330)	\$ 6,064

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(In millions)	Three Months Ended March 31, 2022							
	Purchases	Issuances	Sales	Settlements	Net purchases, issuances, sales and settlements	Transfers In ¹	Transfers Out ²	Net Transfers In (Out)
Liabilities - Asset Management								
Contingent consideration obligations	\$ —	\$ —	\$ —	\$ (13)	\$ (13)	\$ —	\$ —	\$ —
Debt and other liabilities of consolidated VIEs	—	1,644	—	(518)	1,126	—	(8,626)	(8,626)
Total Level 3 liabilities – Asset Management	\$ —	\$ 1,644	\$ —	\$ (531)	\$ 1,113	\$ —	\$ (8,626)	\$ (8,626)
Liabilities – Retirement Services								
Interest sensitive contract liabilities - Embedded derivative	\$ —	\$ (260)	\$ —	\$ 149	\$ (111)	\$ —	\$ —	\$ —
Liabilities of consolidated VIEs - Debt	—	—	—	—	—	(3,645)	—	(3,645)
Total Level 3 liabilities – Retirement Services	\$ —	\$ (260)	\$ —	\$ 149	\$ (111)	\$ (3,645)	\$ —	\$ (3,645)

¹ Transfers in includes assets and liabilities of consolidated VIEs that the Company consolidated effective March 31, 2022 (\$ 10,081 million investment funds, \$1,902 million other investments, and \$ 3,645 million debt).

² Transfers out includes the elimination of investments in related party securities issued by VIEs that the Company consolidated effective March 31, 2022 (\$ 1,582 million ABS AFS securities, \$ 1,260 million ABS and CLO trading securities, and \$113 million equity securities).

Fair Value Option - Retirement Services

The following represents the gains (losses) recorded for instruments for which Athene has elected the fair value option, including related parties and VIEs:

(In millions)	Three months ended March 31,	
	2023	2022
Trading securities	\$ 64	\$ (207)
Mortgage loans	296	(916)
Investment funds	62	20
Future policy benefits	(26)	142
Other liabilities	(47)	—
Total gains (losses)	\$ 349	\$ (961)

Gains and losses on trading securities and other liabilities are recorded in investment related gains (losses) on the condensed consolidated statements of operations. For fair value option mortgage loans, interest income is recorded in net investment income and subsequent changes in fair value in investment related gains (losses) on the condensed consolidated statements of operations. Gains and losses related to investment funds, including related party investment funds, are recorded in net investment income on the condensed consolidated statements of operations. The change in fair value of future policy benefits is recorded to future policy and other policy benefits on the condensed consolidated statements of operations.

The following summarizes information for fair value option mortgage loans, including related parties and VIEs:

(In millions)	March 31, 2023	December 31, 2022
Unpaid principal balance	\$ 35,974	\$ 33,653
Mark to fair value	(2,582)	(2,842)
Fair value	\$ 33,392	\$ 30,811

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The following represents the commercial mortgage loan portfolio 90 days or more past due and/or in non-accrual status:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
Unpaid principal balance of commercial mortgage loans 90 days or more past due and/or in non-accrual status	\$ 198	\$ 74
Mark to fair value of commercial mortgage loans 90 days or more past due and/or in non-accrual status	(56)	(55)
Fair value of commercial mortgage loans 90 days or more past due and/or in non-accrual status	<u>\$ 142</u>	<u>\$ 19</u>
Fair value of commercial mortgage loans 90 days or more past due	\$ 11	\$ 2
Fair value of commercial mortgage loans in non-accrual status	131	19

The following represents the residential loan portfolio 90 days or more past due and/or in non-accrual status:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
Unpaid principal balance of residential mortgage loans 90 days or more past due and/or in non-accrual status	\$ 483	\$ 522
Mark to fair value of residential mortgage loans 90 days or more past due and/or in non-accrual status	(50)	(50)
Fair value of residential mortgage loans 90 days or more past due and/or in non-accrual status	<u>\$ 433</u>	<u>\$ 472</u>
Fair value of residential mortgage loans 90 days or more past due ¹	\$ 433	\$ 472
Fair value of residential mortgage loans in non-accrual status	234	360

¹ As of March 31, 2023 and December 31, 2022, includes \$ 199 million and \$ 221 million, respectively, of residential mortgage loans that are guaranteed by U.S. government-sponsored agencies.

The following is the estimated amount of gains (losses) included in earnings during the period attributable to changes in instrument-specific credit risk on our mortgage loan portfolio:

<i>(In millions)</i>	Three months ended March 31,
	2023 2022
Mortgage loans	\$ (3) \$ (18)

The portion of gains and losses attributable to changes in instrument-specific credit risk is estimated by identifying commercial loans with loan-to-value ratios meeting credit quality criteria, and residential mortgage loans with delinquency status meeting credit quality criteria.

Financial Instruments Without Readily Determinable Fair Values

Athene has elected the measurement alternative for certain equity securities that do not have a readily determinable fair value. As of March 31, 2023 and December 31, 2022, the carrying amount of the equity securities was \$400 million and \$400 million, respectively, with no cumulative recorded impairment.

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Fair Value of Financial Instruments Not Carried at Fair Value - Retirement Services

The following represents Athene's financial instruments not carried at fair value on the condensed consolidated statements of financial condition:

		March 31, 2023					
<i>(In millions)</i>		Carrying Value	Fair Value	NAV	Level 1	Level 2	Level 3
Financial assets							
Investment funds	\$	77	\$ 77	\$ 77	\$ —	\$ —	\$ —
Policy loans		339	339	—	—	339	—
Funds withheld at interest		35,375	35,375	—	—	—	35,375
Short-term investments		45	45	—	—	45	—
Other investments		200	200	—	—	—	200
Investments in related parties							
Investment funds		561	561	561	—	—	—
Funds withheld at interest		10,728	10,728	—	—	—	10,728
Short-term investments		1,043	1,043	—	—	1,043	—
Total financial assets not carried at fair value	\$	48,368	\$ 48,368	\$ 638	\$ —	\$ 1,427	\$ 46,303
Financial liabilities							
Interest sensitive contract liabilities	\$	131,873	\$ 120,063	\$ —	\$ —	\$ —	\$ 120,063
Debt		3,650	2,906	—	—	2,906	—
Securities to repurchase		7,781	7,781	—	—	7,781	—
Funds withheld liability		346	346	—	—	346	—
Total financial liabilities not carried at fair value	\$	143,650	\$ 131,096	\$ —	\$ —	\$ 11,033	\$ 120,063
		December 31, 2022					
<i>(In millions)</i>		Carrying Value	Fair Value	NAV	Level 1	Level 2	Level 3
Financial assets							
Investment funds	\$	79	\$ 79	\$ 79	\$ —	\$ —	\$ —
Policy loans		347	347	—	—	347	—
Funds withheld at interest		37,727	37,727	—	—	—	37,727
Short-term investments		1,640	1,640	—	—	1,614	26
Other investments		162	162	—	—	—	162
Investments in related parties							
Investment funds		610	610	610	—	—	—
Funds withheld at interest		11,233	11,233	—	—	—	11,233
Total financial assets not carried at fair value	\$	51,798	\$ 51,798	\$ 689	\$ —	\$ 1,961	\$ 49,148
Financial liabilities							
Interest sensitive contract liabilities	\$	125,101	\$ 111,608	\$ —	\$ —	\$ —	\$ 111,608
Debt		3,658	2,893	—	—	2,893	—
Securities to repurchase		4,743	4,743	—	—	4,743	—
Funds withheld liability		360	360	—	—	360	—
Total financial liabilities not carried at fair value	\$	133,862	\$ 119,604	\$ —	\$ —	\$ 7,996	\$ 111,608

The fair value for financial instruments not carried at fair value are estimated using the same methods and assumptions as those carried at fair value. The financial instruments presented above are reported at carrying value on the condensed consolidated statements of financial condition; however, in the case of policy loans, funds withheld at interest and liability, short-term investments, and securities to repurchase, the carrying amount approximates fair value.

Interest sensitive contract liabilities

The carrying and fair value of interest sensitive contract liabilities above includes fixed indexed and traditional fixed annuities without mortality or morbidity risks, funding agreements and payout annuities without life contingencies. The embedded

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derivatives within fixed indexed annuities without mortality or morbidity risks are excluded, as they are carried at fair value. The valuation of these investment contracts is based on discounted cash flow methodologies using significant unobservable inputs. The estimated fair value is determined using current market risk-free interest rates, adding a spread to reflect nonperformance risk and subtracting a risk margin to reflect uncertainty inherent in the projected cash flows.

Debt

The fair value of debt is obtained from commercial pricing services. These are classified as Level 2. The pricing services incorporate a variety of market observable information in their valuation techniques, including benchmark yields, trading activity, credit quality, issuer spreads, bids, offers and other reference data.

Significant Unobservable Inputs

Asset Management

Consolidated VIEs' Investments

The significant unobservable input used in the fair value measurement of the equity securities, bank loans and bonds is the discount rate applied in the valuation models. This input in isolation can cause significant increases or decreases in fair value, which would result in a significantly lower or higher fair value measurement. The discount rate is determined based on the market rates an investor would expect for a similar investment with similar risks.

Certain investments of VIEs are valued using the NAV per share equivalent calculated by the investment manager as a practical expedient to determine an independent fair value.

Contingent Consideration Obligations

The significant unobservable inputs used in the fair value measurement of the contingent consideration obligations are discount rate and volatility rate applied in the valuation models. These inputs in isolation can cause significant increases or decreases in fair value. See note 18 for further discussion of the contingent consideration obligations.

Retirement Services

AFS, trading and equity securities

Athene uses discounted cash flow models to calculate the fair value for certain fixed maturity and equity securities. The discount rate is a significant unobservable input because the credit spread includes adjustments made to the base rate. The base rate represents a market comparable rate for securities with similar characteristics. This excludes assets for which fair value is provided by independent broker quotes.

Mortgage loans

Athene uses discounted cash flow models from independent commercial pricing services to calculate the fair value of its mortgage loan portfolio. The discount rate is a significant unobservable input. This approach uses market transaction information and client portfolio-oriented information, such as prepayments or defaults, to support the valuations.

Interest sensitive contract liabilities – embedded derivative

Significant unobservable inputs used in the fixed indexed annuities embedded derivative of the interest sensitive contract liabilities valuation include:

1. Nonperformance risk – For contracts Athene issues, it uses the credit spread, relative to the U.S. Treasury curve based on Athene's public credit rating as of the valuation date. This represents Athene's credit risk for use in the estimate of the fair value of embedded derivatives.
2. Option budget – Athene assumes future hedge costs in the derivative's fair value estimate. The level of option budgets determines the future costs of the options and impacts future policyholder account value growth.

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3. Policyholder behavior – Athene regularly reviews the full withdrawal (surrender rate) assumptions. These are based on initial pricing assumptions updated for actual experience. Actual experience may be limited for recently issued products.

Valuation of Underlying Investments

Asset Management

As previously noted, the underlying entities that Apollo manages and invests in are primarily investment companies that account for their investments at estimated fair value.

On a quarterly basis, valuation committees consisting of members from senior management review and approve the valuation results related to the investments of the funds Apollo manages. For certain publicly traded vehicles managed by Apollo, a review is performed by an independent board of directors. Apollo also retains external valuation firms to provide third-party valuation consulting services to Apollo, which consist of certain limited procedures that management identifies and requests them to perform. The limited procedures provided by the external valuation firms assist management with validating their valuation results or determining fair value. Apollo performs various back-testing procedures to validate their valuation approaches, including comparisons between expected and observed outcomes, forecast evaluations and variance analyses. However, because of the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

Yield Investments

Yield investments are generally valued based on third party vendor prices and/or quoted market prices and valuation models. Valuations using quoted market prices are based on the average of the “bid” and the “ask” quotes provided by multiple brokers wherever possible without any adjustments. Apollo will designate certain brokers to use to value specific securities. In determining the designated brokers, Apollo considers the following: (i) brokers with which Apollo has previously transacted, (ii) the underwriter of the security and (iii) active brokers indicating executable quotes. In addition, when valuing a security based on broker quotes wherever possible Apollo tests the standard deviation amongst the quotes received and the variance between the concluded fair value and the value provided by a pricing service. When broker quotes are not available Apollo considers the use of pricing service quotes or other sources to mark a position. When relying on a pricing service as a primary source, Apollo (i) analyzes how the price has moved over the measurement period, (ii) reviews the number of brokers included in the pricing service’s population, if available, and (iii) validates the valuation levels with Apollo’s pricing team and traders.

Debt securities that are not publicly traded or whose market prices are not readily available are valued at fair value utilizing a model based approach to determine fair value. Valuation approaches used to estimate the fair value of illiquid credit investments also may include the income approach, as described below. The valuation approaches used consider, as applicable, market risks, credit risks, counterparty risks and foreign currency risks.

Equity and Hybrid Investments

The majority of illiquid equity and hybrid investments are valued using the market approach and/or the income approach, as described below.

Market Approach

The market approach is driven by current market conditions, including actual trading levels of similar companies and, to the extent available, actual transaction data of similar companies. Judgment is required by management when assessing which companies are similar to the subject company being valued. Consideration may also be given to any of the following factors: (1) the subject company’s historical and projected financial data; (2) valuations given to comparable companies; (3) the size and scope of the subject company’s operations; (4) the subject company’s individual strengths and weaknesses; (5) expectations relating to the market’s receptivity to an offering of the subject company’s securities; (6) applicable restrictions on transfer; (7) industry and market information; (8) general economic and market conditions; and (9) other factors deemed relevant. Market approach valuation models typically employ a multiple that is based on one or more of the factors described above.

Enterprise value as a multiple of EBITDA is common and relevant for most companies and industries, however, other industry specific multiples are employed where available and appropriate. Sources for gaining additional knowledge related to

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comparable companies include public filings, annual reports, analyst research reports and press releases. Once a comparable company set is determined, Apollo reviews certain aspects of the subject company's performance and determines how its performance compares to the group and to certain individuals in the group. Apollo compares certain measurements such as EBITDA margins, revenue growth over certain time periods, leverage ratios and growth opportunities. In addition, Apollo compares the entry multiple and its relation to the comparable set at the time of acquisition to understand its relation to the comparable set on each measurement date.

Income Approach

The income approach provides an indication of fair value based on the present value of cash flows that a business or security is expected to generate in the future. The most widely used methodology for the income approach is a discounted cash flow method. Inherent in the discounted cash flow method are significant assumptions related to the subject company's expected results, the determination of a terminal value and a calculated discount rate, which is normally based on the subject company's WACC. The WACC represents the required rate of return on total capitalization, which is comprised of a required rate of return on equity, plus the current tax-effected rate of return on debt, weighted by the relative percentages of equity and debt that are typical in the industry. The most critical step in determining the appropriate WACC for each subject company is to select companies that are comparable in nature to the subject company and the credit quality of the subject company. Sources for gaining additional knowledge about the comparable companies include public filings, annual reports, analyst research reports and press releases. The general formula then used for calculating the WACC considers the after-tax rate of return on debt capital and the rate of return on common equity capital, which further considers the risk-free rate of return, market beta, market risk premium and small stock premium, if applicable. The variables used in the WACC formula are inferred from the comparable market data obtained. The Company evaluates the comparable companies selected and concludes on WACC inputs based on the most comparable company or analyzes the range of data for the investment.

The value of liquid investments, where the primary market is an exchange (whether foreign or domestic), is determined using period end market prices. Such prices are generally based on the close price on the date of determination.

Certain of the funds Apollo manages may also enter into foreign currency exchange contracts, total return swap contracts, credit default swap contracts and other derivative contracts, which may include options, caps, collars and floors. Foreign currency exchange contracts are marked-to-market by recognizing the difference between the contract exchange rate and the current market rate as unrealized appreciation or depreciation. If securities are held at the end of the period, the changes in value are recorded in income as unrealized. Realized gains or losses are recognized when contracts are settled. Total return swap and credit default swap contracts are recorded at fair value as an asset or liability with changes in fair value recorded as unrealized appreciation or depreciation. Realized gains or losses are recognized at the termination of the contract based on the difference between the close-out price of the total return or credit default swap contract and the original contract price. Forward contracts are valued based on market rates obtained from counterparties or prices obtained from recognized financial data service providers.

Retirement Services

NAV

Investment funds are typically measured using NAV as a practical expedient in determining fair value and are not classified in the fair value hierarchy. The carrying value reflects a pro rata ownership percentage as indicated by NAV in the investment fund financial statements, which may be adjusted if it is determined NAV is not calculated consistent with investment company fair value principles. The underlying investments of the investment funds may have significant unobservable inputs, which may include but are not limited to, comparable multiples and WACC rates applied in valuation models or a discounted cash flow model.

AFS and trading securities

The fair value for most marketable securities without an active market are obtained from several commercial pricing services. These are classified as Level 2 assets. The pricing services incorporate a variety of market observable information in their valuation techniques, including benchmark yields, trading activity, credit quality, issuer spreads, bids, offers and other reference data. This category typically includes U.S. and non-U.S. corporate bonds, U.S. agency and government guaranteed securities, CLO, ABS, CMBS and RMBS.

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Athene also has fixed maturity securities priced based on indicative broker quotes or by employing market accepted valuation models. For certain fixed maturity securities, the valuation model uses significant unobservable inputs and are included in Level 3 in fair value hierarchy. Significant unobservable inputs used include discount rates, issue-specific credit adjustments, material non-public financial information, estimation of future earnings and cash flows, default rate assumptions, liquidity assumptions and indicative quotes from market makers. These inputs are usually considered unobservable, as not all market participants have access to this data.

Privately placed fixed maturity securities are valued based on the credit quality and duration of comparable marketable securities, which may be securities of another issuer with similar characteristics. In some instances, a matrix-based pricing model is used. These models consider the current level of risk-free interest rates, corporate spreads, credit quality of the issuer and cash flow characteristics of the security. Additional factors such as net worth of the borrower, value of collateral, capital structure of the borrower, presence of guarantees and Athene's evaluation of the borrower's ability to compete in its relevant market are also considered. Privately placed fixed maturity securities are classified as Level 2 or 3.

Equity securities

Fair values of publicly traded equity securities are based on quoted market prices and classified as Level 1. Other equity securities, typically private equities or equity securities not traded on an exchange, are valued based on other sources, such as commercial pricing services or brokers, and are classified as Level 2 or 3.

Mortgage loans

Athene estimates fair value monthly using discounted cash flow analysis and rates being offered for similar loans to borrowers with similar credit ratings. Loans with similar characteristics are aggregated for purposes of the calculations. The discounted cash flow model uses unobservable inputs, including estimates of discount rates and loan prepayments. Mortgage loans are classified as Level 3.

Investment funds

Certain investment funds for which Athene has elected the fair value option are included in Level 3 and are priced based on market accepted valuation models. The valuation models use significant unobservable inputs, which include material non-public financial information, estimation of future distributable earnings and demographic assumptions. These inputs are usually considered unobservable, as not all market participants have access to this data.

Other investments

The fair value of other investments are determined using a discounted cash flow model using discount rates for similar investments.

Funds withheld at interest embedded derivative

Athene estimates the fair value of the embedded derivative based on the change in the fair value of the assets supporting the funds withheld payable under modco and funds withheld reinsurance agreements. As a result, the fair value of the embedded derivative is classified as Level 2 or 3 based on the valuation methods used for the assets held supporting the reinsurance agreements.

Derivatives

Derivative contracts can be exchange traded or over the counter. Exchange-traded derivatives typically fall within Level 1 of the fair value hierarchy depending on trading activity. Over-the-counter derivatives are valued using valuation models or an income approach using third-party broker valuations. Valuation models require a variety of inputs, including contractual terms, market prices, yield curves, credit curves, measures of volatility, prepayment rates and correlation of the inputs. Athene considers and incorporates counterparty credit risk in the valuation process through counterparty credit rating requirements and monitoring of overall exposure. Athene also evaluates and includes its own nonperformance risk in valuing derivatives. The majority of Athene's derivatives trade in liquid markets; therefore, it can verify model inputs and model selection does not involve significant management judgment. These are typically classified within Level 2 of the fair value hierarchy.

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Interest sensitive contract liabilities embedded derivative

Embedded derivatives related to interest sensitive contract liabilities with fixed indexed annuity products are classified as Level 3. The valuations include significant unobservable inputs associated with economic assumptions and actuarial assumptions for policyholder behavior.

AmerUs Closed Block

Athene elected the fair value option for the future policy benefits liability in the AmerUs Closed Block. The valuation technique is to set the fair value of policyholder liabilities equal to the fair value of assets. There is an additional component which captures the fair value of the open block's obligations to the closed block business. This component is the present value of the projected release of required capital and future earnings before income taxes on required capital supporting the AmerUs Closed Block, discounted at a rate which represents a market participant's required rate of return, less the initial required capital. Unobservable inputs include estimates for these items. The AmerUs Closed Block policyholder liabilities and any corresponding reinsurance recoverable are classified as Level 3.

ILICO Closed Block

Athene elected the fair value option for the ILICO Closed Block. The valuation technique is to set the fair value of policyholder liabilities equal to the fair value of assets. There is an additional component which captures the fair value of the open block's obligations to the closed block business. This component uses the present value of future cash flows which include commissions, administrative expenses, reinsurance premiums and benefits, and an explicit cost of capital. The discount rate includes a margin to reflect the business and nonperformance risk. Unobservable inputs include estimates for these items. The ILICO Closed Block policyholder liabilities and corresponding reinsurance recoverable are classified as Level 3.

Universal life liabilities and other life benefits

Athene elected the fair value option for certain blocks of universal and other life business ceded to Global Atlantic. Athene uses a present value of liability cash flows. Unobservable inputs include estimates of mortality, persistency, expenses, premium payments and a risk margin used in the discount rates that reflects the riskiness of the business. The universal life policyholder liabilities and corresponding reinsurance recoverable are classified as Level 3.

Other liabilities

Other liabilities includes funds withheld liability, as described above in funds withheld at interest embedded derivative, and a ceded modco agreement of certain inforce funding agreement contracts for which Athene elected the fair value option. Athene estimates the fair value of the ceded modco agreement by discounting projected cash flows for net settlements and certain periodic and non-periodic payments. Unobservable inputs include estimates for asset portfolio returns and economic inputs used in the discount rate, including risk margin. Depending on the projected cash flows and other assumptions, the contract may be recorded as an asset or liability. The estimate is classified as Level 3.

9. Deferred Acquisition Costs, Deferred Sales Inducements and Value of Business Acquired

The following represents a rollforward of DAC and DSI by product, and a rollforward of VOBA. See note 10 for more information on Athene's products.

	Three months ended March 31, 2023						
	DAC				DSI		Total DAC, DSI and VOBA
	Traditional deferred annuities	Indexed annuities	Funding agreements	Other investment-type	Indexed annuities	VOBA	
<i>(In millions)</i>							
Balance at December 31, 2022	\$ 304	\$ 755	\$ 11	\$ 9	\$ 399	\$ 2,988	\$ 4,466
Additions	171	203	—	1	133	—	508
Amortization	(16)	(18)	(1)	—	(10)	(93)	(138)
Balance at March 31, 2023	<u>\$ 459</u>	<u>\$ 940</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 522</u>	<u>\$ 2,895</u>	<u>\$ 4,836</u>

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Three months ended March 31, 2022							
(In millions)	DAC				DSI		Total DAC, DSI and VOBA
	Traditional deferred annuities	Indexed annuities	Funding agreements	Other investment-type	Indexed annuities	VOBA	
Balance at January 1, 2022	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,372	\$ 3,372
Additions	24	176	11	3	77	—	\$ 291
Amortization	—	(1)	(1)	—	—	(96)	(98)
Balance at March 31, 2022	\$ 24	\$ 175	\$ 10	\$ 3	\$ 77	\$ 3,276	\$ 3,565

Deferred costs related to universal life-type policies and investment contracts with significant revenue streams from sources other than investment of the policyholder funds, including traditional deferred annuities and indexed annuities, are amortized on a constant-level basis for a cohort of contracts using initial premium or deposit. Significant inputs and assumptions are required for determining the expected duration of the cohort and involves using accepted actuarial methods to determine decrement rates related to policyholder behavior for lapses, withdrawals (surrenders) and mortality. The assumptions used to determine the amortization of DAC and DSI are consistent with those used to estimate the related liability balance.

Deferred costs related to investment contracts without significant revenue streams from sources other than investment of policyholder funds are amortized using the effective interest method, which primarily includes funding agreements. The effective interest method requires inputs to project future cash flows, which for funding agreements includes contractual terms of notional value, periodic interest payments based on either fixed or floating interest rates, and duration. For other investment-type contracts which include immediate annuities and assumed endowments without significant mortality risks, assumptions are required related to policyholder behavior for lapses and withdrawals (surrenders).

The expected amortization of VOBA for the next five years is as follows:

(In millions)	Expected Amortization
2023 ¹	\$ 257
2024	316
2025	289
2026	260
2027	230
2028	200

¹ Expected amortization for the remainder of 2023.

10. Long-duration Contracts

Interest sensitive contract liabilities – Interest sensitive contract liabilities primarily include:

- traditional deferred annuities,
- indexed annuities consisting of fixed indexed and index-linked variable annuities,
- funding agreements, and
- other investment-type contracts comprising of immediate annuities without significant mortality risk (which includes pension group annuities without life contingencies) and assumed endowments without significant mortality risks.

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The following represents a rollforward of the policyholder account balance by product within interest sensitive contract liabilities. Where explicit policyholder account balances do not exist, the disaggregated rollforward represents the recorded reserve.

Three months ended March 31, 2023					
(In millions, except percentages)	Traditional deferred annuities	Indexed annuities	Funding agreements	Other investment-type	Total
Balance at December 31, 2022	\$ 43,518	\$ 92,660	\$ 27,439	\$ 4,722	\$ 168,339
Deposits	6,700	2,929	1,500	1,033	12,162
Policy charges	(1)	(158)	—	—	(159)
Surrenders and withdrawals	(1,818)	(2,712)	(70)	(3)	(4,603)
Benefit payments	(264)	(422)	(490)	(90)	(1,266)
Interest credited	369	117	206	32	724
Foreign exchange	—	—	54	(16)	38
Other	(54)	—	143	(33)	56
Balance at March 31, 2023	<u>\$ 48,450</u>	<u>\$ 92,414</u>	<u>\$ 28,782</u>	<u>\$ 5,645</u>	<u>\$ 175,291</u>
March 31, 2023					
Weighted average crediting rate	3.4 %	2.3 %	2.7 %	2.9 %	2.7 %
Net amount at risk	\$ 423	\$ 13,903	\$ —	\$ 66	\$ 14,392
Cash surrender value	45,994	84,047	—	2,710	132,751

Three months ended March 31, 2022					
(In millions, except percentages)	Traditional deferred annuities	Indexed annuities	Funding agreements	Other investment-type	Total
Balance at January 1, 2022	\$ 35,599	\$ 89,755	\$ 23,623	\$ 2,413	\$ 151,390
Deposits	918	2,573	4,946	520	8,957
Policy charges	(1)	(141)	—	—	(142)
Surrenders and withdrawals	(845)	(1,798)	—	(1)	(2,644)
Benefit payments	(256)	(426)	(695)	(83)	(1,460)
Interest credited	235	697	125	17	1,074
Foreign exchange	—	—	(100)	(14)	(114)
Other	—	—	(218)	—	(218)
Balance at March 31, 2022	<u>\$ 35,650</u>	<u>\$ 90,660</u>	<u>\$ 27,681</u>	<u>\$ 2,852</u>	<u>\$ 156,843</u>
March 31, 2022					
Weighted average crediting rate	2.7 %	2.0 %	1.8 %	2.2 %	2.1 %
Net amount at risk	\$ 416	\$ 10,554	\$ —	\$ 13	\$ 10,983
Cash surrender value	34,211	84,265	—	710	119,186

The following is a reconciliation of interest sensitive contract liabilities to the condensed consolidated statements of financial condition:

(In millions)	March 31,	
	2023	2022
Traditional deferred annuities	\$ 48,450	\$ 35,650
Indexed annuities	92,414	90,660
Funding agreements	28,782	27,681
Other investment-type	5,645	2,852
Reconciling items ¹	5,809	7,460
Interest sensitive contract liabilities	<u>\$ 181,100</u>	<u>\$ 164,303</u>

¹ Reconciling items primarily include embedded derivatives in indexed annuities, unaccreted host contract adjustments on indexed annuities, negative VOBA, sales inducement liabilities, and wholly ceded universal life insurance contracts.

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The following represents policyholder account balances by range of guaranteed minimum crediting rates, as well as the related range of the difference between rates being credited to policyholders and the respective guaranteed minimums:

March 31, 2023				
(In millions)	At guaranteed minimum	1 basis point – 100 basis points above guaranteed minimum	Greater than 100 basis points above guaranteed minimum	Total
< 2.0%	\$ 25,571	\$ 23,867	\$ 80,468	\$ 129,906
2.0% – < 4.0%	31,793	1,709	778	34,280
4.0% – < 6.0%	9,625	52	206	9,883
6.0% and greater	1,222	—	—	1,222
Total	\$ 68,211	\$ 25,628	\$ 81,452	\$ 175,291

March 31, 2022				
(In millions)	At guaranteed minimum	1 basis point – 100 basis points above guaranteed minimum	Greater than 100 basis points above guaranteed minimum	Total
< 2.0%	\$ 29,040	\$ 30,195	\$ 57,412	\$ 116,647
2.0% – < 4.0%	34,604	925	43	35,572
4.0% – < 6.0%	4,467	11	6	4,484
6.0% and greater	140	—	—	140
Total	\$ 68,251	\$ 31,131	\$ 57,461	\$ 156,843

Future policy benefits – Future policy benefits consist primarily of payout annuities, including single premium immediate annuities with life contingencies (which include pension group annuities with life contingencies).

The following is a rollforward of the present value of expected net premiums and expected value of future policy benefits:

(In millions)		Payout annuities with life contingencies	
		Three months ended March 31,	
		2023	2022
Present value of expected net premiums			
Beginning balance		\$ —	\$ —
Issuances		88	1,994
Net premium collected		(88)	(1,994)
Ending balance		\$ —	\$ —
Present value of expected future policy benefits			
Beginning balance		\$ 36,422	\$ 35,278
Effect of changes in discount rate assumptions		8,425	—
Beginning balance at original discount rate		44,847	35,278
Effect of actual experience to expected experience		(29)	(47)
Adjusted beginning balance		44,818	35,231
Issuances		88	1,994
Interest accrual		346	229
Benefit payments		(885)	(724)
Foreign exchange		8	(19)
Ending balance at original discount rate		44,375	36,711
Effect of changes in discount rate assumptions		(7,623)	(3,562)
Ending balance		\$ 36,752	\$ 33,149

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The following is a reconciliation of future policy benefits to the condensed consolidated statements of financial condition:

<i>(In millions)</i>	March 31,			
	2023		2022	
Payout annuities with life contingencies	\$	36,752	\$	33,149
Reconciling items ¹		5,738		6,091
Total future policy benefits	\$	42,490	\$	39,240

¹ Reconciling items primarily include the deferred profit liability and negative VOBA associated with Athene's liability for future policy benefits. Additionally, it includes reserves for Athene's immaterial lines of business including term and whole life, accident and health and disability, as well as other insurance benefit reserves for Athene's no-lapse guarantees with universal life contracts, all of which are fully ceded.

The following is a reconciliation of premiums to the condensed consolidated statements of operations:

<i>(In millions)</i>	Three months ended March 31,			
	2023		2022	
Payout annuities with life contingencies	\$	88	\$	2,098
Reconciling items ¹		8		12
Premiums	\$	96	\$	2,110

¹ Reconciling items premiums related to Athene's immaterial lines of business including term and whole life and accident and health and disability.

Gross premiums are recorded within premiums on the condensed consolidated statements of operations. Interest expense (accretion) related to future policy benefits was \$46 million and \$229 million during the three months ended March 31, 2023 and 2022, respectively, and is recorded as a component of policy and other operating expenses on the condensed consolidated statements of operations.

Significant assumptions and inputs to the calculation of future policy benefits for payout annuities with life contingencies include policyholder demographic data, assumptions for policyholder longevity and policyholder utilization for contracts with deferred lives, and discount rates. Athene bases certain key assumptions related to policyholder behavior on industry standard data adjusted to align with actual company experience, if necessary. At least annually, Athene reviews all significant cash flow assumptions and updates as necessary, unless emerging experience indicates a more frequent review is necessary. The discount rate reflects market observable inputs from upper-medium grade fixed income instrument yields and is interpolated, where necessary, to conform to the duration of Athene's liabilities.

During the three months ended March 31, 2023, future policy benefits for payout annuities with life contingencies increased by \$30 million, which was primarily driven by an \$802 million change in discount rate assumptions related to a decrease in rates and \$346 million of interest accrual, partially offset by \$885 million of benefit payments.

During the three months ended March 31, 2022, future policy benefits for payout annuities with life contingencies decreased by \$1,129 million, which was primarily driven by a \$3,562 million change in discount rate assumptions related to an increase in rates and \$724 million of benefit payments, partially offset by \$1,994 million of pension group annuity issuances and \$229 million of interest accrual.

The following represents the undiscounted and discounted expected future benefit payments for the liability for future policy benefits. As these relate to payout annuities for single premium immediate annuities with life contingencies, there are no expected future gross premiums.

<i>(In millions)</i>	March 31, 2023				March 31, 2022			
	Undiscounted		Discounted		Undiscounted		Discounted	
Expected future benefit payments	\$	63,995	\$	44,375	\$	51,643	\$	36,711

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The following represents the weighted-average durations and the weighted-average interest rates of future policy benefits:

	March 31,	
	2023	2022
Weighted-average liability duration <i>(in years)</i>	10.1	10.6
Weighted-average interest accretion rate	3.2 %	2.7 %
Weighted-average current discount rate	5.3 %	3.7 %

Policyholder longevity assumptions represent the main driver of variances from actual experience compared to expected experience. The following is the variance of actual experience compared to expected experience related to policyholder longevity assumptions recorded within future policy benefits:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Expected reserve release due to death	\$ 132	\$ 114
Actual reserve release due to death	183	163
Decrease in reserve due to actual experience compared to expected experience	\$ (51)	\$ (49)

The following is a summary of remeasurement gains (losses) included within future policy and other policy benefits on the condensed consolidated statements of operations:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Reserves	\$ 29	\$ 47
Deferred profit liability	(27)	(54)
Negative VOBA	(4)	10
Total remeasurement gains (losses)	\$ (2)	\$ 3

There have been no adverse developments during the three months ended March 31, 2023 and 2022.

Market risk benefits – Athene issues and reinsures traditional deferred and indexed annuity products that contain GLWB and GMDB riders that meet the criteria to be classified as market risk benefits.

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The following is a rollforward of net market risk benefit liabilities by product:

	Three months ended March 31, 2023		
	Traditional deferred annuities	Indexed annuities	Total
<i>(In millions)</i>			
Balance at December 31, 2022	\$ 170	\$ 2,319	\$ 2,489
Effect of changes in instrument-specific credit risk	13	353	366
Balance, beginning of period, before changes in instrument specific credit risk	183	2,672	2,855
Issuances	—	17	17
Interest accrual	2	32	34
Attributed fees collected	1	84	85
Benefit payments	—	(6)	(6)
Effect of changes in interest rates	8	218	226
Effect of changes in equity	—	(18)	(18)
Effect of actual policyholder behavior compared to expected behavior	2	23	25
Balance, end of period, before changes in instrument specific credit risk	196	3,022	3,218
Effect of changes in the instrument specific credit risk	(16)	(439)	(455)
Balance at March 31, 2023	<u>\$ 180</u>	<u>\$ 2,583</u>	<u>\$ 2,763</u>
	March 31, 2023		
Net amount at risk	\$ 423	\$ 13,903	\$ 14,326
Weighted-average attained age of contract holders <i>(in years)</i>	75	69	69

	Three months ended March 31, 2022		
	Traditional deferred annuities	Indexed annuities	Total
<i>(In millions)</i>			
Balance at January 1, 2022	\$ 253	\$ 4,194	\$ 4,447
Issuances	—	16	16
Interest accrual	—	(2)	(2)
Attributed fees collected	1	81	82
Benefit payments	(1)	(11)	(12)
Effect of changes in interest rates	(26)	(732)	(758)
Effect of changes in equity	—	55	55
Effect of actual policyholder behavior compared to expected behavior	1	12	13
Balance, end of period, before changes in instrument specific credit risk	228	3,613	3,841
Effect of changes in the instrument specific credit risk	(13)	(384)	(397)
Balance at March 31, 2022	<u>\$ 215</u>	<u>\$ 3,229</u>	<u>\$ 3,444</u>
	March 31, 2022		
Net amount at risk	\$ 416	\$ 10,554	\$ 10,970
Weighted-average attained age of contract holders <i>(in years)</i>	75	69	69

The following is a reconciliation of market risk benefits to the condensed consolidated statements of financial condition. Market risk benefit assets are included in other assets on the condensed consolidated statements of financial condition.

	March 31, 2023			March 31, 2022		
	Asset	Liability	Net liability	Asset	Liability	Net liability
<i>(In millions)</i>						
Traditional deferred annuities	\$ —	\$ 180	\$ 180	\$ —	\$ 215	\$ 215
Indexed annuities	440	3,023	2,583	413	3,642	3,229
Total	<u>\$ 440</u>	<u>\$ 3,203</u>	<u>\$ 2,763</u>	<u>\$ 413</u>	<u>\$ 3,857</u>	<u>\$ 3,444</u>

During the three months ended March 31, 2023, net market risk benefit liabilities increased by \$74 million, which was primarily driven by a \$226 million change in interest rates related to a decrease in rates.

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During the three months ended March 31, 2022, net market risk benefit liabilities decreased by \$1,003 million, which was primarily driven by a \$758 million change in interest rates related to an increase in rates and a \$397 million change in instrument specific credit risk related to widening of credit spreads, partially offset by \$82 million of fees collected from policyholders and \$55 million of changes related to equity market performance.

The determination of the fair value of market risk benefits requires the use of inputs related to fees and assessments and assumptions in determining the projected benefits in excess of the projected account balance. Judgment is required for both economic and actuarial assumptions, which can be either observable or unobservable, that impact future policyholder account growth.

Economic assumptions include interest rates and implied volatilities throughout the duration of the liability. For indexed annuities, assumptions also include projected equity returns which impact cash flows attributable to indexed strategies, implied equity volatilities, expected index credits on the next policy anniversary date and future equity option costs. Assumptions related to the level of option budgets used for determining the future equity option costs and the impact on future policyholder account value growth are considered unobservable inputs.

Policyholder behavior assumptions are unobservable inputs and are established using accepted actuarial valuation methods to estimate withdrawals (surrender rate). Assumptions are generally based on industry data and pricing assumptions which are updated for actual experience, if necessary. Actual experience may be limited for recently issued products.

All inputs are used to project excess benefits and fees over a range of risk-neutral, stochastic interest rate scenarios. For indexed annuities, stochastic equity return scenarios are also included within the range. A risk margin is incorporated within the discount rate to reflect uncertainty in the projected cash flows such as variations in policyholder behavior, as well as a credit spread to reflect our nonperformance risk, which is considered an unobservable input.

The following summarizes the unobservable inputs for market risk benefits:

March 31, 2023								
(In millions, except for percentages)	Fair value	Valuation technique	Unobservable inputs	Minimum	Maximum	Weighted average	Impact of an increase in the input on fair value	
Market risk benefits, net	\$ 2,763	Discounted cash flow	Nonperformance risk	0.3 %	1.7 %	1.6 % ¹	Decrease	
			Option budget	0.5 %	5.6 %	1.7 % ²	Decrease	
			Surrender rate	3.3 %	6.9 %	4.5 % ²	Decrease	
March 31, 2022								
(In millions, except for percentages)	Fair value	Valuation technique	Unobservable inputs	Minimum	Maximum	Weighted average	Impact of an increase in the input on fair value	
Market risk benefits, net	\$ 3,444	Discounted cash flow	Nonperformance risk	0.4 %	2.0 %	1.3 % ¹	Decrease	
			Option budget	0.5 %	3.8 %	1.5 % ²	Decrease	
			Surrender rate	3.6 %	6.6 %	4.5 % ²	Decrease	

¹ The nonperformance risk weighted average is based on the cash flows underlying the market risk benefit reserve.

² The option budget and surrender rate weighted averages are calculated based on projected account values.

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11. Profit Sharing Payable

Profit sharing payable was \$1.5 billion and \$1.4 billion as of March 31, 2023 and December 31, 2022, respectively. The below is a roll-forward of the profit-sharing payable balance:

<i>(In millions)</i>	Total
Profit sharing payable, January 1, 2023	\$ 1,392
Profit sharing expense	289
Payments/other	(168)
Profit sharing payable, March 31, 2023	\$ 1,513

Profit sharing expense includes (i) changes in amounts due to current and former employees entitled to a share of performance revenues in funds managed by Apollo and (ii) changes to the fair value of the contingent consideration obligations recognized in connection with certain of the Company's acquisitions. Profit sharing payable excludes the potential return of profit-sharing distributions that would be due if certain funds were liquidated, which is recorded in due from related parties in the condensed consolidated statements of financial condition.

The Company requires that a portion of certain of the performance revenues distributed to the Company's employees be used to purchase restricted shares of common stock issued under its Equity Plan. Prior to distribution of the performance revenues, the Company records the value of the equity-based awards expected to be granted in other assets and accounts payable, accrued expenses, and other liabilities.

12. Income Taxes

The Company's income tax (provision) benefit totaled \$(253) million and \$485 million for the three months ended March 31, 2023 and 2022, respectively. The Company's effective income tax rate was approximately 14.1% and 31.4% for the three months ended March 31, 2023 and 2022, respectively.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022 (the "IRA"). The IRA contains a number of tax-related provisions, including a 15% minimum corporate income tax on certain large corporations as well as an excise tax on stock repurchases. It is unclear how the IRA will be implemented by the U.S. Department of the Treasury through regulation. The Company is evaluating the impact of the IRA on its tax liability, which tax liability could also be affected by how the provisions of the IRA are implemented through such regulation. The Company will continue to evaluate the IRA's impact as further information becomes available.

Under U.S. GAAP, a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolution of any related appeals or litigation, based on the technical merits of the position. As of March 31, 2023, the Company recorded \$16 million of unrecognized tax benefits for uncertain tax positions. Approximately all of the unrecognized tax benefits, if recognized, would impact the effective tax rate. The Company does not believe that it has any tax positions for which it is reasonably possible that it will be required to record significant amounts of unrecognized tax benefits within the next twelve months.

The primary jurisdictions in which the Company operates and incurs income taxes are the United States and the United Kingdom. There are no unremitted earnings with respect to the United Kingdom or other foreign jurisdictions.

In the normal course of business, the Company is subject to examination by federal, state, local and foreign tax authorities. As of March 31, 2023, the Company's U.S. federal, state, local and foreign income tax returns for the years 2019 through 2021 are open under the general statute of limitations provisions and therefore subject to examination. Currently, the Internal Revenue Service is examining the tax returns of the Company and certain subsidiaries for the 2013, 2015, 2019, and 2020 tax years. The State and City of New York are examining certain subsidiaries' tax returns for tax years 2011 to 2020. The United Kingdom tax authorities are currently examining certain subsidiaries' tax returns for tax year 2017 and 2020. There are other examinations ongoing in other foreign jurisdictions in which the Company operates. No provisions with respect to these examinations have been recorded, other than the unrecognized tax benefits discussed above.

The Company has historically recorded deferred tax assets resulting from the step-up in the tax basis of assets, including intangibles, resulting from exchanges of AOG Units for Class A shares by the Former Managing Partners and Contributing

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Partners. A related liability has also historically been recorded in due to related parties in the condensed consolidated statements of financial condition for the expected payments under the tax receivable agreement entered into by and among the Company, the Former Managing Partners, the Contributing Partners, and other parties thereto (as amended, the “tax receivable agreement”) (see note 17). The benefit the Company has historically obtained from the difference in the tax asset recognized and the related liability was recorded as an increase to additional paid in capital. The amortization period for the portion of the increase in tax basis related to intangibles is 15 years. The realization of the remaining portion of the increase in tax basis relates to the disposition of the underlying assets to which the step-up is attributed. The associated deferred tax assets reverse at the time of the corresponding asset disposition.

After the Mergers, the Former Managing Partners and Contributing Partners no longer own AOG Units. Therefore, there were no new exchanges subject to the tax receivable agreement during the three months ended March 31, 2023 and 2022.

13. Debt

Company debt consisted of the following:

(In millions, except percentages)	Maturity Date	March 31, 2023		December 31, 2022	
		Outstanding Balance	Fair Value	Outstanding Balance	Fair Value
Asset Management					
4.00% 2024 Senior Notes ^{1,2}	May 30, 2024	\$ 499	\$ 490 ⁴	\$ 499	\$ 486 ⁴
4.40% 2026 Senior Notes ^{1,2}	May 27, 2026	498	486 ⁴	498	476 ⁴
4.87% 2029 Senior Notes ^{1,2}	February 15, 2029	675	647 ⁴	675	639 ⁴
2.65% 2030 Senior Notes ^{1,2}	June 5, 2030	496	419 ⁴	495	407 ⁴
5.00% 2048 Senior Notes ^{1,2}	March 15, 2048	297	272 ⁴	297	262 ⁴
4.95% 2050 Subordinated Notes ^{1,2}	January 14, 2050	297	248 ⁴	297	252 ⁴
1.70% Secured Borrowing II	April 15, 2032	18	18 ⁴	18	17 ⁴
1.30% 2016 AMI Term Facility I	January 15, 2025	18	18 ³	18	18 ³
1.40% 2016 AMI Term Facility II	October 18, 2024	16	16 ³	17	17 ³
		2,814	2,614	2,814	2,574
Retirement Services					
4.13% 2028 Notes ¹	January 12, 2028	1,077	907	1,081	921
6.15% 2030 Notes ¹	April 3, 2030	603	504	606	508
3.50% 2031 Notes ¹	January 15, 2031	525	421	526	413
3.95% 2051 Notes ¹	May 25, 2051	546	350	546	342
3.45% 2052 Notes ¹	May 15, 2052	504	317	504	311
6.65% 2033 Notes ¹	February 1, 2033	395	407	395	398
		3,650	2,906	3,658	2,893
Total Debt		\$ 6,464	\$ 5,520	\$ 6,472	\$ 5,467

¹ Interest rate is calculated as weighted average annualized.

² Includes amortization of note discount, as applicable, totaling \$ 15 million and \$ 16 million as of March 31, 2023 and December 31, 2022, respectively. Outstanding balance is presented net of unamortized debt issuance costs.

³ Fair value is based on a discounted cash flow method. These notes are classified as a Level 3 liability within the fair value hierarchy.

⁴ Fair value is based on broker quotes. These notes are valued using Level 2 inputs based on the number and quality of broker quotes obtained, the standard deviations of the observed broker quotes and the percentage deviation from external pricing services.

Asset Management - Notes Issued

The indentures governing the 2024 Senior Notes, the 2026 Senior Notes, the 2029 Senior Notes, the 2030 Senior Notes, the 2048 Senior Notes and the 2050 Subordinated Notes include covenants that restrict the ability of Apollo Management Holdings, L.P., an Apollo subsidiary and issuer of the notes (“AMH”) and, as applicable, the guarantors of the notes under the indentures, to incur indebtedness secured by liens on voting stock or profit participating equity interests of their respective subsidiaries, or merge, consolidate or sell, transfer or lease assets. The indentures also provide for customary events of default.

Retirement Services - Notes Issued

Athene’s senior unsecured notes are callable by AHL at any time. If called prior to three months before the scheduled maturity date, the price is equal to the greater of (1) 100% of the principal and any accrued and unpaid interest and (2) an amount equal

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to the sum of the present values of remaining scheduled payments, discounted from the scheduled payment date to the redemption date treasury rate plus a spread as defined in the applicable prospectus supplement and any accrued and unpaid interest.

Credit and Liquidity Facilities

The following table represents the Company's credit and liquidity facilities as of March 31, 2023:

Instrument/Facility	Borrowing Date	Maturity Date	Administrative Agent	Key terms
Asset Management - 2022 AMH credit facility	N/A	October 12, 2027	Citibank	The commitment fee on the \$ 1.0 billion undrawn 2022 AMH credit facility as of March 31, 2023 was 0.08%.
Retirement Services - AHL credit facility	N/A	December 3, 2024	Citibank	The borrowing capacity under the AHL credit facility is \$ 1.25 billion, with potential increases up to \$1.75 billion.
Retirement Services - AHL liquidity facility	N/A	June 30, 2023	Wells Fargo Bank	The borrowing capacity under the AHL liquidity facility is \$ 2.5 billion, with potential increases up to \$3.0 billion.

Asset Management - Credit Facility

On October 12, 2022, AMH, as borrower, entered into a \$1.0 billion revolving credit facility with Citibank, N.A., as administrative agent, which matures on October 12, 2027 ("2022 AMH credit facility"). Borrowings under the 2022 AMH credit facility may be used for working capital and general corporate purposes, including, without limitation, permitted acquisitions. As of March 31, 2023, AMH, the borrower under the facility, could incur incremental facilities in an aggregate amount not to exceed \$ 250 million plus additional amounts so long as AMH was in compliance with a net leverage ratio not to exceed 4.00 to 1.00.

As of March 31, 2023, there were no amounts outstanding under the 2022 AMH credit facility and the Company was in compliance with all financial covenants under the facility.

Retirement Services - Credit Facility and Liquidity Facility

AHL Credit Facility—AHL has a revolving credit agreement with Citibank, N.A. as administrative agent, which matures on December 3, 2024, subject to up to two one-year extensions ("AHL credit facility"). The borrowing capacity under the AHL credit facility is \$1.25 billion, with potential increases up to \$1.75 billion. In connection with the AHL credit facility, AHL and Athene USA Corporation ("AUSA") guaranteed all of the obligations of AHL, Athene Life Re ("ALRe"), Athene Annuity Re Ltd. ("AARE") and AUSA under this facility, and ALRe and AARE guaranteed certain of the obligations of AHL, ALRe, AARE and AUSA under this facility. The AHL credit facility contains various standard covenants with which the company must comply, including the following:

1. Consolidated debt to capitalization ratio of not greater than 35%;
2. Minimum consolidated net worth of no less than \$7.3 billion; and
3. Restrictions on Athene's ability to incur debt and liens, in each case with certain exceptions.

As of March 31, 2023, there were no amounts outstanding under the AHL credit facility and Athene was in compliance with all financial covenants under the facility.

Interest accrues on outstanding borrowings at either the Eurodollar Rate (as defined in the AHL credit facility) plus a margin or a base rate plus a margin, with the applicable margin varying based on Athene's Debt Rating (as defined in the AHL credit facility).

AHL Liquidity Facility—In the third quarter of 2022, AHL entered into a revolving credit facility with a syndicate of banks, including Wells Fargo Bank, National Association, as administrative agent, which matures on June 30, 2023, subject to additional 364-day extensions ("AHL liquidity facility"). The AHL liquidity facility will be used for liquidity and working capital needs to meet short-term cash flow and investment timing differences. The borrowing capacity under the AHL liquidity facility is \$2.5 billion, with potential increases up to \$3.0 billion. The AHL liquidity facility contains various standard covenants with which Athene must comply, including the following:

1. ALRe Minimum Consolidated Net Worth (as defined in the AHL liquidity facility) of no less than \$9.3 billion; and

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2. Restrictions on Athene's ability to incur debt and liens, in each case with certain exceptions.

Interest accrues on outstanding borrowings at the secured overnight financing rate (Adjusted Term SOFR, as defined in the AHL liquidity facility) plus a margin or a base rate plus a margin, with applicable margin varying based on ALRe's Financial Strength Rating (as defined in the AHL liquidity facility).

On February 7, 2023, Athene borrowed \$1.0 billion from the AHL liquidity facility for short-term cash flow needs, which was repaid during the first quarter of 2023. As of March 31, 2023, there were no amounts outstanding under the AHL liquidity facility and Athene was in compliance with all financial covenants under the facility.

Interest Expense

The following table presents the interest expense incurred related to the Company's debt:

<i>(In millions)</i>	Three months ended March 31,			
	2023		2022	
Asset Management	\$	31	\$	32
Retirement Services ¹		30		24
Total Interest Expense	\$	61	\$	56

Note: Debt issuance costs incurred are amortized into interest expense over the term of the debt arrangement, as applicable.

¹ Interest expense for Retirement Services is included in policy and other operating expenses on the condensed consolidated statements of operations.

14. Equity-Based Compensation

Under the Equity Plan, the Company grants equity-based awards to employees of AAM and AHL. Equity-based awards granted to employees and non-employees as compensation are measured based on the grant date fair value of the award, which considers the public share price of AGM's common stock subject to certain discounts, as applicable.

The Company grants both service-based and performance-based awards. The estimated total grant date fair value for service-based awards is charged to compensation expense on a straight-line basis over the vesting period, which is generally one to six years from the date of grant. Certain service-based awards are tied to profit sharing arrangements in which a portion of the performance fees distributed to the general partner are required to be used by employees to purchase restricted shares of common stock or is delivered in the form of RSUs, which are granted under the Company's Equity Plan. Performance-based awards vest subject to continued employment and the Company's achievement of specified performance goals. In accordance with U.S. GAAP, equity-based compensation expense for performance grants are typically recognized on an accelerated recognition method over the requisite service period to the extent the performance revenue metrics are met or deemed probable. Equity-based awards that do not require future service (i.e., vested awards) are expensed immediately.

For the three months ended March 31, 2023 and 2022, the Company recorded equity-based compensation expense of \$40 million and \$168 million, respectively. As of March 31, 2023, there was \$996 million of estimated unrecognized compensation expense related to unvested RSU awards. This cost is expected to be recognized over a weighted-average period of 2.8 years.

Service-Based Awards

During the three months ended March 31, 2023 and 2022, the Company awarded 4.6 million and 4.3 million of service-based RSUs, respectively, with a grant date fair value of \$313 million and \$266 million, respectively.

During the three months ended March 31, 2023 and 2022, the Company recorded equity-based compensation expense on service-based RSUs of \$7 million and \$67 million, respectively.

Performance-Based Awards

During the three months ended March 31, 2023 and 2022, the Company awarded 1.2 million and 2.1 million of performance-based RSUs, respectively, with a grant date fair value of \$79 million and \$126 million, respectively, which primarily vest subject to continued employment and the Company's receipt of performance revenues, within prescribed periods, sufficient to cover the associated equity-based compensation expense.

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During the three months ended March 31, 2023 and 2022, the Company recorded equity-based compensation expense on performance-based awards of \$5 million and \$74 million, respectively.

In December 2021, the Company awarded one-time grants to the Co-Presidents of AAM of 6.0 million RSUs which vest on a cliff basis subject to continued employment over five years, with 2.0 million of those RSUs also subject to the Company's achievement of certain fee related earnings and spread related earnings per share metrics. During the three months ended March 31, 2023 and 2022, the Company recorded equity-based compensation expense of \$14 million and \$14 million, respectively, for service-based awards and \$6 million and \$6 million, respectively, for performance-based awards, each related to these one-time grants.

The following table summarizes all RSU activity for the current period:

	Unvested	Weighted Average Grant Date Fair Value	Vested	Total Number of RSUs Outstanding
Balance at January 1, 2023	18,263,875	\$57.18	15,656,775	33,920,650
Granted	5,849,355	\$66.99	—	5,849,355
Forfeited	(30,076)	\$64.93	—	(30,076)
Vested	(3,028,390)	\$48.77	3,028,390	—
Issued ¹	—	—	(5,903,313)	(5,903,313)
Balance at March 31, 2023	21,054,764	61.16	12,781,852	33,836,616

¹ Refers to issued shares that became freely transferable in 2023.

Restricted Stock Awards

During the three months ended March 31, 2023 and 2022, the Company awarded 0.2 million and 0.4 million restricted stock awards, respectively, from profit sharing arrangements with a grant date fair value of \$14 million and \$28 million, respectively.

During the three months ended March 31, 2023 and 2022, the Company recorded equity-based compensation expense related to restricted stock awards from profit sharing arrangements of \$9 million and \$19 million, respectively.

15. Equity

Common Stock

Holders of common stock are entitled to participate in dividends from the Company on a pro rata basis.

During the three months ended March 31, 2023 and 2022, the Company issued shares of common stock in settlement of vested RSUs. The Company has generally allowed holders of vested RSUs and exercised share options to settle their tax liabilities by reducing the number of shares of common stock issued to them, which the Company refers to as "net share settlement." Additionally, the Company has generally allowed holders of share options to settle their exercise price by reducing the number of shares of common stock issued to them at the time of exercise by an amount sufficient to cover the exercise price. The net share settlement results in a liability for the Company and a corresponding accumulated deficit adjustment.

On January 3, 2022, the Company announced a share repurchase program, pursuant to which, the Company is authorized to repurchase (i) up to an aggregate of \$5.5 billion of shares of its common stock in order to opportunistically reduce its share count and (ii) up to an aggregate of \$1.0 billion of shares of its common stock in order to offset the dilutive impact of share issuances under its equity incentive plans. On February 21, 2023, the AGM board of directors approved a reallocation of the Company's share repurchase program, pursuant to which, the Company is authorized to repurchase (i) up to an aggregate of \$1.0 billion of shares of its common stock in order to opportunistically reduce its share count, a decrease of \$0.5 billion of shares from the previously authorized amount and (ii) up to an aggregate of \$1.5 billion of shares of its common stock in order to offset the dilutive impact of share issuances under its equity incentive plans, an increase of \$0.5 billion of shares from the previously authorized amount. Shares of common stock may be repurchased from time to time in open market transactions, in privately negotiated transactions, pursuant to a trading plan adopted in accordance with Rule 10b5-1 of the Exchange Act, or otherwise, as well as through reductions of shares that otherwise would have been issued to participants under the Company's

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Equity Plan in order to satisfy associated tax obligations. The repurchase program does not obligate the Company to make any repurchases at any specific time. The program is effective until the aggregate repurchase amount that has been approved by the AGM board of directors has been expended and may be suspended, extended, modified or discontinued at any time.

The table below outlines the share activity for the three months ended March 31, 2023 and 2022.

	Three months ended March 31,	
	2023	2022
Shares of common stock issued in settlement of vested RSUs and options exercised ¹	4,930,963	4,556,421
Reduction of shares of common stock issued ²	(2,064,148)	(2,062,255)
Shares of common stock purchased related to share issuances and forfeitures ³	(160,239)	(219,500)
Issuance of shares of common stock for equity-based awards	2,706,576	2,274,666

¹ The gross value of shares issued was \$348 million and \$301 million for the three months ended March 31, 2023 and 2022, respectively, based on the closing price of the shares of common stock at the time of issuance.

² Cash paid for tax liabilities associated with net share settlement was \$147 million and \$138 million for the three months ended March 31, 2023 and 2022, respectively.

³ Certain Apollo employees receive a portion of the profit sharing proceeds of certain funds in the form of (a) restricted shares of common stock that they are required to purchase with such proceeds or (b) RSUs, in each case which equity-based awards generally vest over three years. These equity-based awards are granted under the Company's Equity Plan. To prevent dilution on account of these awards, Apollo may, in its discretion, repurchase shares of common stock on the open market and retire them. During the three months ended March 31, 2023 and 2022, Apollo issued 193,740 and 403,824 of such restricted shares and 160,239 and 219,500 of such RSUs under the Equity Plan, respectively, and repurchased 353,979 and 623,324 shares of common stock in open-market transactions not pursuant to a publicly-announced repurchase plan or program, respectively.

During the three months ended March 31, 2023 and 2022, 6,376,021 and 2,986,676 shares of common stock, respectively, were repurchased in open market transactions as part of the publicly announced share repurchase program discussed above, and such shares were subsequently canceled by the Company. The Company paid \$433 million and \$187 million for these open market share repurchases during the three months ended March 31, 2023 and 2022, respectively.

Dividends and Distributions

Outlined below is information regarding quarterly dividends and distributions (in millions, except per share data). Certain subsidiaries of the Company may be subject to U.S. federal, state, local and non-U.S. income taxes at the entity level and may pay taxes and/or make payments under the tax receivable agreement.

Dividend Declaration Date	Dividend per Share of Common Stock	Payment Date	Dividend to Common Stockholders	Distribution to Non-Controlling Interest Holders in the Apollo Operating Group	Total Distributions	Distribution Equivalents on Participating Securities
February 11, 2022	\$ 0.40	February 28, 2022	\$ 229	\$ —	\$ 229	\$ 12
May 5, 2022	0.40	May 31, 2022	229	—	229	12
August 4, 2022	0.40	August 31, 2022	229	—	229	11
November 2, 2022	0.40	November 30, 2022	229	—	229	11
Year ended December 31, 2022	\$ 1.60		\$ 916	\$ —	\$ 916	\$ 46
February 9, 2023	0.40	February 28, 2023	229	—	229	12
Three months ended March 31, 2023	\$ 0.40		\$ 229	\$ —	\$ 229	\$ 12

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Accumulated Other Comprehensive Income (Loss)

The following provides the details and changes in AOCI:

<i>(In millions)</i>	Unrealized investment gains (losses) on AFS securities without a credit allowance	Unrealized investment gains (losses) on AFS securities with a credit allowance	Unrealized gains (losses) on hedging instruments	Remeasurement gains (losses) on future policy benefits related to discount rate	Remeasurement gains (losses) on market risk benefits related to credit risk	Foreign currency translation and other adjustments	Accumulated other comprehensive income (loss)
Balance at December 31, 2022	\$ (12,568)	\$ (334)	\$ 48	\$ 5,256	\$ 285	\$ (22)	\$ (7,335)
Other comprehensive income (loss) before reclassifications	2,187	(119)	191	(802)	89	22	1,568
Less: Reclassification adjustments for gains (losses) realized ¹	(31)	—	87	—	—	—	56
Less: Income tax expense (benefit)	312	14	15	(73)	18	4	290
Less: Other comprehensive income (loss) attributable to non-controlling interests	220	—	27	(208)	1	9	49
Balance at March 31, 2023	\$ (10,882)	\$ (467)	\$ 110	\$ 4,735	\$ 355	\$ (13)	\$ (6,162)

¹ Recognized in investment related gains (losses) on the condensed consolidated statements of operations.

<i>(In millions)</i>	Unrealized investment gains (losses) on AFS securities without a credit allowance	Unrealized investment gains (losses) on AFS securities with a credit allowance	Unrealized gains (losses) on hedging instruments	Remeasurement gains (losses) on future policy benefits related to discount rate	Remeasurement gains (losses) on market risk benefits related to credit risk	Foreign currency translation and other adjustments	Accumulated other comprehensive income (loss)
Balance at December 31, 2021	\$ (1)	\$ —	\$ (1)	\$ —	\$ —	\$ (3)	\$ (5)
Other comprehensive income (loss) before reclassifications	(6,646)	(97)	(127)	3,562	397	(9)	(2,920)
Less: Reclassification adjustments for gains (losses) realized ¹	(38)	(7)	—	—	—	—	(45)
Less: Income tax expense (benefit)	(1,184)	(16)	(26)	529	83	(1)	(615)
Less: Other comprehensive income (loss) attributable to non-controlling interests	(676)	(9)	(24)	774	5	(15)	55
Balance at March 31, 2022	\$ (4,749)	\$ (65)	\$ (78)	\$ 2,259	\$ 309	\$ 4	\$ (2,320)

¹ Recognized in investment related gains (losses) on the condensed consolidated statements of operations.

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16. Earnings per Share

The following presents basic and diluted net income (loss) per share of common stock computed using the two-class method:

	Basic and Diluted	
	Three months ended March 31,	
	2023	2022
<i>(In millions, except share and per share amounts)</i>		
Numerator:		
Net income (loss) attributable to common stockholders	\$ 1,010	\$ (401)
Dividends declared on common stock ¹	(229)	(229)
Dividends on participating securities ²	(12)	(12)
Earnings allocable to participating securities ³	(20)	—
Undistributed income (loss) attributable to common stockholders: Basic	749	(642)
Dilution effect on distributable income attributable to contingent shares	(5)	—
Undistributed income (loss) attributable to common stockholders: Diluted	\$ 744	\$ (642)
Denominator:		
Weighted average number of shares of common stock outstanding: Basic	584,115,927	586,495,913
Dilution effect of contingent shares	126,644	—
Weighted average number of shares of common stock outstanding: Diluted	584,242,571	586,495,913
Net income (loss) per share of common stock: Basic ⁴		
Distributed income	\$ 0.40	\$ 0.40
Undistributed income (loss)	1.27	(1.10)
Net income (loss) per share of common stock: Basic	\$ 1.67	\$ (0.70)
Net Income (Loss) per share of common stock: Diluted		
Distributed Income	\$ 0.40	\$ 0.40
Undistributed Income (Loss)	1.26	(1.10)
Net Income (Loss) per share of common stock: Diluted	\$ 1.66	\$ (0.70)

¹ See note 15 for information regarding quarterly dividends.

² Participating securities consist of vested and unvested RSUs that have rights to dividends and unvested restricted shares.

³ No allocation of undistributed losses was made to the participating securities as the holders do not have a contractual obligation to share in the losses of the Company with common stockholders.

⁴ For the three months ended March 31, 2022, all of the classes of securities were determined to be anti-dilutive.

The Company has granted RSUs that provide the right to receive, subject to vesting during continued employment, shares of common stock pursuant to the Equity Plan.

Any dividend equivalent paid to an employee on RSUs will not be returned to the Company upon forfeiture of the award by the employee. Vested and unvested RSUs that are entitled to non-forfeitable dividend equivalents qualify as participating securities and are included in the Company's basic and diluted earnings per share computations using the two-class method. The holder of an RSU participating security would have a contractual obligation to share in the losses of the entity if the holder is obligated to fund the losses of the issuing entity or if the contractual principal or mandatory redemption amount of the participating security is reduced as a result of losses incurred by the issuing entity. The RSU participating securities do not have a mandatory redemption amount and the holders of the participating securities are not obligated to fund losses; therefore, neither the vested RSUs nor the unvested RSUs are subject to any contractual obligation to share in losses of the Company.

The following table summarizes the anti-dilutive securities:

	Three months ended March 31,	
	2023	2022
Weighted average unvested RSUs	14,056,347	10,744,265
Weighted average unexercised options	2,311,985	2,424,407
Weighted average unexercised warrants	3,832,969	1,300,000
Weighted average unvested restricted shares	1,719,231	2,266,951

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17. Related Parties
Asset Management
Due from/to related parties

Due from/ to related parties includes:

- unpaid management fees, transaction and advisory fees and reimbursable expenses from the funds Apollo manages and their portfolio companies;
- reimbursable payments for certain operating costs incurred by these funds as well as their related parties; and
- other related party amounts arising from transactions, including loans to employees and periodic sales of ownership interests in funds managed by Apollo.

Due from related parties and Due to related parties consisted of the following as of March 31, 2023 and December 31, 2022:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
Due from Related Parties:		
Due from funds ¹	\$ 274	\$ 269
Due from portfolio companies	98	106
Due from employees and former employees	92	90
Total Due from Related Parties	<u>\$ 464</u>	<u>\$ 465</u>
Due to Related Parties:		
Due to Former Managing Partners and Contributing Partners ²	\$ 831	\$ 874
Due to funds	149	124
Total Due to Related Parties	<u>\$ 980</u>	<u>\$ 998</u>

¹ Includes \$33 million and \$43 million as of March 31, 2023 and December 31, 2022, respectively, related to a receivable from a fund in connection with the Company's sale of a platform investment to such fund. The amount is payable to the Company over five years and is held at fair value.

² Includes \$307 million and \$351 million as of March 31, 2023 and December 31, 2022, respectively, related to the AOG Unit Payment, payable in equal quarterly installments through December 31, 2024.

Tax Receivable Agreement

Prior to the consummation of the Mergers, each of the Former Managing Partners and Contributing Partners had the right to exchange vested AOG Units for Class A shares, subject to certain restrictions. All Apollo Operating Group entities have made, or will make, an election under Section 754 of the U.S. Internal Revenue Code, which will result in an adjustment to the tax basis of the assets owned by the Apollo Operating Group entities at the time an exchange was made. The election results in an increase to the tax basis of underlying assets which will reduce the amount of gain and associated tax that AGM and its subsidiaries will otherwise be required to pay in the future.

The tax receivable agreement ("TRA") provides for payment to the Former Managing Partners and Contributing Partners of 85% of the amount of cash tax savings, if any, in U.S. federal, state, local and foreign income taxes the Company realizes as a result of the increases in tax basis of assets resulting from transactions and other exchanges of AOG Units for Class A shares that have occurred in prior years. AGM and its subsidiaries retain the benefit from the remaining 15% of actual cash tax savings. If the Company does not make the required annual payment on a timely basis as outlined in the tax receivable agreement, interest is accrued on the balance until the payment date.

Following the closing of the Mergers, as the Former Managing Partners and Contributing Partners no longer own AOG Units, there were no new exchanges subject to the TRA.

AOG Unit Payment

On December 31, 2021, holders of AOG Units (other than Athene and the Company) sold and transferred a portion of such AOG Units to a wholly-owned consolidated subsidiary of the Company, in exchange for an amount equal to \$3.66 multiplied by the total number of AOG Units held by such holders immediately prior to such transaction. The remainder of the AOG Units held by such holders were exchanged for shares of AGM common stock concurrently with the consummation of the Mergers on January 1, 2022.

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As of March 31, 2023, the outstanding payable amount due to Former Managing Partners and Contributing Partners was \$07 million, which is payable in equal quarterly installments through December 31, 2024.

Due from Employees and Former Employees

As of March 31, 2023 and December 31, 2022, due from related parties includes various amounts due to Apollo, including employee loans and return of profit-sharing distributions. As of March 31, 2023 and December 31, 2022, the balance includes interest-bearing employee loans receivable of \$7 million and \$9 million, respectively. The outstanding principal amount of the loans as well as all accrued and unpaid interest is required to be repaid at the earlier of the eighth anniversary of the date of the relevant loan or at the date of the relevant employee's resignation.

The receivable from certain employees and former employees includes an amount for the potential return of profit-sharing distributions that would be due if certain funds were liquidated of \$75 million and \$72 million at March 31, 2023 and December 31, 2022, respectively.

Indemnity

Certain of the performance revenues Apollo earns from funds may be subject to repayment by its subsidiaries that are general partners of the funds in the event that certain specified return thresholds are not ultimately achieved. The Former Managing Partners, Contributing Partners and certain other investment professionals have personally guaranteed, subject to certain limitations, the obligations of these subsidiaries in respect of this obligation. Such guarantees are several and not joint and are limited to a particular individual's distributions. Apollo has agreed to indemnify each of the Former Managing Partners and certain Contributing Partners against all amounts that they pay pursuant to any of these personal guarantees in favor of certain funds that it manages (including costs and expenses related to investigating the basis for or objecting to any claims made in respect of the guarantees) for all interests that the Former Managing Partners and Contributing Partners contributed or sold to the Apollo Operating Group.

Apollo recorded an indemnification liability of \$13 million and \$13 million as of March 31, 2023 and December 31, 2022, respectively.

Due to Related Parties

Based upon an assumed liquidation of certain of the funds Apollo manages, it has recorded a general partner obligation to return previously distributed performance allocations, which represents amounts due to certain funds. The obligation is recognized based upon an assumed liquidation of a fund's net assets as of the reporting date. The actual determination and any required payment would not take place until the final disposition of a fund's investments based on the contractual termination of the fund or as otherwise set forth in the respective governing document of the fund.

Apollo recorded general partner obligations to return previously distributed performance allocations related to certain funds of \$19 million and \$107 million as of March 31, 2023 and December 31, 2022.

Athora

Apollo, through ISGI, provides investment advisory services to certain portfolio companies of funds managed by Apollo and Athora, a strategic liabilities platform that acquires or reinsures blocks of insurance business in the German and broader European life insurance market (collectively, the "Athora Accounts"). AAM and its subsidiaries had equity commitments outstanding to Athora of up to \$347 million as of March 31, 2023, subject to certain conditions.

Athora Sub-Advised

Apollo provides sub-advisory services with respect to a portion of the assets in certain portfolio companies of funds managed by Apollo and the Athora Accounts. Apollo broadly refers to "Athora Sub-Advised" assets as those assets in the Athora Accounts which Apollo explicitly sub-advises as well as those assets in the Athora Accounts which are invested directly in funds and investment vehicles Apollo manages.

Apollo earns a base management fee on the aggregate market value of substantially all of the investment accounts of or relating to Athora and also a sub-advisory fee on the Athora Sub-Advised assets, which varies depending on the specific asset class.

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See “—Athora” in the Retirement Services section below for further details on Athene’s relationship with Athora.

Regulated Entities and Affiliated Service Providers

Apollo Global Securities, LLC (“AGS”) is a registered broker-dealer with the SEC and is a member of the Financial Industry Regulatory Authority, subject to the minimum net capital requirements of the SEC. AGS was in compliance with these requirements as of March 31, 2023. From time to time AGS, as well as other Apollo affiliates, provide services to related parties of Apollo, including Apollo funds and their portfolio companies, whereby the Company or its affiliates earn fees for providing such services.

Griffin Capital Securities, LLC (“GCS”) is a registered broker-dealer with the SEC and is a member of the Financial Industry Regulatory Authority, subject to the minimum net capital requirements of the SEC. GCS was in compliance with these requirements as of March 31, 2023.

Investment in SPACs

In October 2020, APSG I, a SPAC sponsored by Apollo, completed an initial public offering, ultimately raising total gross proceeds of \$17 million. APSG Sponsor, L.P., a subsidiary of Apollo, held Class B ordinary shares of APSG I, and consolidated it as a VIE. In May 2022, APSG I completed a business combination with American Express Global Business Travel. As a result of the business combination, Apollo no longer consolidates APSG I as a VIE. Apollo continues to hold a non-controlling interest in the newly merged entity at fair value, elected under the fair value option, which is primarily presented within Investments (Asset Management) in the condensed consolidated statements of financial condition.

On February 12, 2021, APSG II, a SPAC sponsored by Apollo, completed an initial public offering, raising total gross proceeds of \$90 million. APSG Sponsor II, L.P., a subsidiary of Apollo, holds Class B ordinary shares of APSG II, and consolidates APSG II as a VIE. In December 2022, APSG II entered into a non-binding letter of intent regarding a potential initial business combination and now has until May 12, 2023 to complete its initial business combination.

On July 13, 2021, Acropolis Infrastructure Acquisition Corp. (“Acropolis”), a SPAC sponsored by Apollo, completed an initial public offering, ultimately raising total gross proceeds of \$345 million. Acropolis Infrastructure Acquisition Sponsor, L.P., a subsidiary of Apollo, holds Class B common stock of Acropolis, and consolidates Acropolis as a VIE.

As described in note 2, the Company consolidates entities that are VIEs for which the Company has been designated as the primary beneficiary. Through its interests in the respective sponsors, the Company has the primary beneficiary power to direct the activities that most significantly impact the economic performance of these SPACs. In addition, the Company’s combined interests in these VIEs are significant. Assets and liabilities of the consolidated SPACs are shown within the respective line items of the condensed consolidated financial statements.

Retirement Services

AAA

Athene consolidates AAA as a VIE. Apollo established AAA for the purpose of providing a single vehicle through which Athene and third-party investors can participate in a portfolio of alternative investments, which include those managed by Apollo. Additionally, the Company believes AAA enhances its ability to increase alternative assets under management by raising capital from third parties, which will allow Athene to achieve greater scale and diversification for alternatives. Third-party investors began to invest in AAA on July 1, 2022.

Wheels Donlen

Athene has a limited partnership investment in Athene Freedom Parent, LP (“Athene Freedom”), for which Apollo is the general partner, and which Athene contributed to AAA during the second quarter of 2022. Athene Freedom indirectly invests in both Wheels, Inc. (“Wheels”) and Donlen, LLC (“Donlen”). During the fourth quarter of 2022, Athene Freedom also invested in LeasePlan USA, Inc. (“LeasePlan”). As of March 31, 2023 and December 31, 2022, Athene owned \$1,185 million and \$1,024 million, respectively, of AFS securities issued by Wheels, Donlen and LeasePlan, which are held as investments in related parties on the condensed consolidated statements of financial condition.

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Athora

Athene has a cooperation agreement with Athora, pursuant to which, among other things, (1) for a period of 30 days from the receipt of notice of a cession, Athene has the right of first refusal to reinsure (i) up to 50% of the liabilities ceded from Athora's reinsurance subsidiaries to Athora Life Re Ltd. and (ii) up to 20% of the liabilities ceded from a third party to any of Athora's insurance subsidiaries, subject to a limitation in the aggregate of 20% of Athora's liabilities, (2) Athora agreed to cause its insurance subsidiaries to consider the purchase of certain funding agreements and/or other spread instruments issued by Athene's insurance subsidiaries, subject to a limitation that the fair market value of such funding agreements purchased by any of Athora's insurance subsidiaries may generally not exceed 3% of the fair market value of such subsidiary's total assets, (3) Athene provides Athora with a right of first refusal to pursue acquisition and reinsurance transactions in Europe (other than the UK) and (4) Athora provides Athene and its subsidiaries with a right of first refusal to pursue acquisition and reinsurance transactions in North America and the UK. Notwithstanding the foregoing, pursuant to the cooperation agreement, Athora is only required to use its reasonable best efforts to cause its subsidiaries to adhere to the provisions set forth in the cooperation agreement and therefore Athora's ability to cause its subsidiaries to act pursuant to the cooperation agreement may be limited by, among other things, legal prohibitions or the inability to obtain the approval of the board of directors or other applicable governing body of the applicable subsidiary, which approval is solely at the discretion of such governing body. As of March 31, 2023, Athene had not exercised its right of first refusal to reinsure liabilities ceded to Athora's insurance or reinsurance subsidiaries.

The following table summarizes Athene's investments in Athora:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
Investment fund	\$ 1,034	\$ 959
Non-redeemable preferred equity securities	245	273
Total investment in Athora	\$ 1,279	\$ 1,232

Additionally, as of March 31, 2023 and December 31, 2022, Athene had \$60 million and \$59 million, respectively, of funding agreements outstanding to Athora. Athene also has commitments to make additional investments in Athora of \$526 million as of March 31, 2023.

Catalina

Athene has an investment in Apollo Rose II (B) ("Apollo Rose") which Athene consolidates as a VIE. Apollo Rose holds equity interests in Catalina Holdings (Bermuda) Ltd. ("Catalina"). During the fourth quarter of 2022, Athene entered into a strategic modco reinsurance agreement with Catalina General Insurance Ltd., which is a subsidiary of Catalina, to cede certain inforce funding agreements. Athene elected the fair value option on this agreement and had a liability of \$189 million and \$142 million as of March 31, 2023 and December 31, 2022, respectively, which is included in other liabilities on the condensed consolidated statements of financial condition.

Venerable

Athene has coinsurance and modco agreements with Venerable Insurance and Annuity Company ("VIAC"). VIAC is a related party due to Athene's minority equity investment in its holding company's parent, VA Capital Company LLC ("VA Capital"), which was \$ 235 million and \$240 million as of March 31, 2023 and December 31, 2022, respectively. The minority equity investment in VA Capital is included in investments in related parties on the condensed consolidated statements of financial condition and accounted for as an equity method investment. VA Capital is owned by a consortium of investors, led by affiliates of Apollo, Crestview Partners III Management, LLC and Reverence Capital Partners L.P., and is the parent of Venerable, which is the parent of VIAC. Additionally, Athene has term loans receivable from Venerable due in 2033, which is included in investments in related parties on the condensed consolidated statements of financial condition. The loans are held at fair value and were \$338 million and \$303 million as of March 31, 2023 and December 31, 2022, respectively. While management views the overall transactions with Venerable as favorable to Athene, the stated interest rate of 6.257% on the term loans to Venerable represented a below-market interest rate, and management considered such rate as part of its evaluation and pricing of the reinsurance transactions.

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PK AirFinance

Athene has investments in PK AirFinance (“PK Air”), an aviation lending business with a portfolio of loans (“Aviation Loans”). The Aviation Loans are generally fully secured by aircraft leases and aircraft and are securitized by a special purpose vehicle (“SPV”) for which Apollo acts as ABS manager (“ABS-SPV”). The ABS-SPV issues tranches of senior notes and subordinated notes, which are secured by the Aviation Loans. Athene has purchased both senior and subordinated notes of PK Air, which are included in investments in related parties on the condensed consolidated statements of financial condition. During the first quarter of 2022, Athene contributed its investment in the subordinated notes to PK Air Holdings, LP, and then contributed PK Air Holdings, LP to AAA during the second quarter of 2022. As of March 31, 2023 and December 31, 2022, Athene held \$ 1.6 billion and \$1.2 billion, respectively, of PK Air senior notes and had commitments to make additional investments in PK Air of \$1.3 billion as of March 31, 2023.

Apollo/Athene Dedicated Investment Program (“ADIP”)

Athene’s subsidiary, ACRA 1 is partially owned by ADIP, a series of funds managed by Apollo. Athene’s subsidiary, ALRe, currently holds 36.55% of the economic interests in ACRA 1 and all of ACRA 1’s voting interests, with ADIP holding the remaining 63.45% of the economic interests. During the three months ended March 31, 2023 and 2022, Athene received capital contributions of \$0 million and \$311 million, respectively, from ADIP and paid dividends of \$127 million and \$0 million, respectively, to ADIP.

Atlas

Athene has an equity investment in Atlas, an asset-backed specialty lender, through its investment in AAA and, as of March 31, 2023 and December 31, 2022, also had \$995 million and \$0 million, respectively, of AFS securities issued by Atlas. Athene had \$ 1,043 million and \$0 million of reverse repurchase agreements issued by Atlas as of March 31, 2023 and December 31, 2022, respectively. See note 18 for further information on assurance letters issued in support of Atlas.

18. Commitments and Contingencies

Investment Commitments

The Company has unfunded capital commitments of \$0.6 billion as of March 31, 2023 related to the funds it manages. Separately, Athene had commitments to make investments, primarily capital contributions to investment funds, inclusive of related party commitments discussed previously, of \$19.3 billion as of March 31, 2023. The Company expects most of the current commitments will be invested over the next five years; however, these commitments could become due any time upon counterparty request.

Contingent Obligations

Performance allocations with respect to certain funds are subject to reversal in the event of future losses to the extent of the cumulative revenues recognized in income to date. If all of the existing investments became worthless, the amount of cumulative revenues that have been recognized by Apollo through March 31, 2023 and that could be reversed approximates \$4.9 billion. Performance allocations are affected by changes in the fair values of the underlying investments in the funds that Apollo manages. Valuations, on an unrealized basis, can be significantly affected by a variety of external factors including, but not limited to, bond yields and industry trading multiples. Movements in these items can affect valuations quarter to quarter even if the underlying business fundamentals remain stable. Management views the possibility of all of the investments becoming worthless as remote.

Additionally, at the end of the life of certain funds, Apollo may be obligated as general partner, to repay the funds’ performance allocations received in excess of what was ultimately earned. This obligation amount, if any, will depend on final realized values of investments at the end of the life of each fund or as otherwise set forth in the partnership agreement of the fund.

Certain funds may not generate performance allocations as a result of unrealized and realized losses that are recognized in the current and prior reporting periods. In certain cases, performance allocations will not be generated until additional unrealized and realized gains occur. Any appreciation would first cover the deductions for invested capital, unreturned organizational expenses, operating expenses, management fees and priority returns based on the terms of the respective fund agreements.

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One of Apollo's subsidiaries, AGS, provides underwriting commitments in connection with securities offerings of related parties of Apollo, including portfolio companies of the funds Apollo manages, as well as third parties. As of March 31, 2023, there were no open underwriting commitments.

The Company, along with a third-party institutional investor, has committed to provide financing to a consolidated VIE that invests across Apollo's capital markets platform (such VIE, the "Apollo Capital Markets Partnership"). Pursuant to these arrangements, the Company has committed equity financing to the Apollo Capital Markets Partnership. The Apollo Capital Markets Partnership also has a revolving credit facility with Sumitomo Mitsui Banking Corporation, as lead arranger, administrative agent and letter of credit issuer, Mizuho Bank Ltd., and other lenders party thereto, pursuant to which it may borrow up to \$2.25 billion. The revolving credit facility, which has a final maturity date of April 1, 2025, is non-recourse to the Company, except that the Company provided customary comfort letters with respect to its capital contributions to the Apollo Capital Markets Partnership. As of March 31, 2023, the Apollo Capital Markets Partnership had funded commitments of \$ 1.24 billion, on a net basis, to transactions across Apollo's capital markets platform, all of which were funded through the revolving credit facility and other asset-based financing. No capital had been funded by the Company to the Apollo Capital Markets Partnership pursuant to its commitment.

Whether the commitments of the Apollo Capital Markets Partnership are actually funded, in whole or in part, depends on the contractual terms of such commitments, including the satisfaction or waiver of any conditions to closing or funding. It is expected that between the time the Apollo Capital Markets Partnership makes a commitment and funding of such commitment, efforts will be made to syndicate such commitment to, among others, third parties, which should reduce its risk when committing to certain transactions. The Apollo Capital Markets Partnership may also, with respect to a particular transaction, enter into other arrangements with third parties which reduce its commitment risk.

In connection with the acquisition of Stone Tower in 2012, Apollo agreed to pay its former owners a specified percentage of future performance revenues earned from certain of its funds, CLOs, and strategic investment accounts. This obligation was determined based on the present value of estimated future performance revenue payments and is recorded in other liabilities. The fair value of the remaining contingent obligation was \$53 million and \$55 million as of March 31, 2023 and December 31, 2022, respectively. This contingent consideration obligation is remeasured to fair value at each reporting period until the obligations are satisfied. The changes in the fair value of the Stone Tower contingent consideration obligation is reflected in profit sharing expense in the condensed consolidated statements of operations.

In connection with the acquisition of Griffin Capital's U.S. asset management business on May 3, 2022, Apollo agreed to pay its former owners certain share-based consideration contingent on specified AUM and capital raising thresholds. This obligation was determined based on the present value of estimated future performance relative to such thresholds and is recorded in other liabilities. The fair value of the remaining contingent obligation was \$25 million and \$31 million as of March 31, 2023 and December 31, 2022, respectively. This contingent consideration obligation is remeasured to fair value at each reporting period until the respective thresholds are met such that the contingencies are satisfied. The changes in the fair value of the Griffin Capital contingent consideration obligation are reflected in other income (loss) in the condensed consolidated statements of income.

Funding Agreements

Athene is a member of the Federal Home Loan Bank of Des Moines ("FHLB") and, through its membership, has issued funding agreements to the FHLB in exchange for cash advances. As of March 31, 2023 and December 31, 2022, Athene had \$ 4.9 billion and \$3.7 billion, respectively, of FHLB funding agreements outstanding. Athene is required to provide collateral in excess of the funding agreement amounts outstanding, considering any discounts to the securities posted and prepayment penalties.

Athene has a funding agreement backed notes ("FABN") program, which allows Athene Global Funding, a special purpose, unaffiliated statutory trust, to offer its senior secured medium-term notes. Athene Global Funding uses the net proceeds from each sale to purchase one or more funding agreements from Athene. As of March 31, 2023 and December 31, 2022, Athene had \$21.1 billion and \$21.0 billion, respectively, of board-authorized FABN funding agreements outstanding. Athene had \$ 13.5 billion of board-authorized FABN capacity remaining as of March 31, 2023.

Athene established a secured funding agreement backed repurchase agreement ("FABR") program, in which a special-purpose, unaffiliated entity enters into repurchase agreements with a bank and the proceeds of the repurchase agreements are used by the special purpose entity to purchase funding agreements from Athene. As of March 31, 2023 and December 31, 2022, Athene had \$3.0 billion and \$3.0 billion, respectively, of FABR funding agreements outstanding.

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Pledged Assets and Funds in Trust (Restricted Assets)

Athene's total restricted assets included on the condensed consolidated statements of financial condition are as follows:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
AFS securities	\$ 17,054	\$ 15,366
Trading securities	69	55
Equity securities	71	38
Mortgage loans	7,963	8,849
Investment funds	84	103
Derivative assets	80	65
Short-term investments	131	120
Other investments	215	170
Restricted cash and cash equivalents	1,148	628
Total restricted assets	<u>\$ 26,815</u>	<u>\$ 25,394</u>

The restricted assets are primarily related to reinsurance trusts established in accordance with coinsurance agreements and the FHLB and FABR funding agreements described above.

Letters of Credit

Athene has undrawn letters of credit totaling \$1.3 billion as of March 31, 2023. These letters of credit were issued for Athene's reinsurance program and have expirations through July 28, 2025.

Atlas

In connection with the Company and CS's previously announced transaction, whereby Atlas acquired certain assets of the CS Securitized Products Group, two subsidiaries of the Company have each issued an assurance letter to CS to guarantee the full five year deferred purchase obligation of Atlas in the amount of \$3.3 billion. The fair value of the liability related to the Company's guarantee is not material to the Company's condensed consolidated financial statements.

Litigation and Regulatory Matters

The Company is party to various legal actions arising from time to time in the ordinary course of business, including claims and lawsuits, arbitrations, reviews, investigations or proceedings by governmental and self-regulatory agencies regarding the Company's business.

On August 3, 2017, a complaint was filed in the United States District Court for the Middle District of Florida against AAM, a senior partner of Apollo and a former principal of Apollo by Michael McEvoy on behalf of a purported class of employees of subsidiaries of CEVA Group, LLC ("CEVA Group") who purchased shares in CEVA Investment Limited ("CIL"), the former parent company of CEVA Group. The complaint alleged that the defendants breached fiduciary duties to and defrauded the plaintiffs by inducing them to purchase shares in CIL and subsequently participating in a debt restructuring of CEVA Group in which shareholders of CIL did not receive a recovery. The complaint was determined by a bankruptcy court to be void *ab initio* because it asserted claims that were property of CIL's bankruptcy estate. On December 7, 2018, McEvoy revised his complaint to attempt to assert claims that do not belong to CIL. The amended complaint no longer named any individual defendants, but Apollo Management VI, L.P. and CEVA Group were added as defendants. The amended complaint sought damages of approximately €30 million and asserted, among other things, claims for violations of the Investment Advisers Act of 1940 (as amended, the "Investment Advisers Act"), breach of fiduciary duties, and breach of contract. On January 6, 2020, the Florida court granted in part Apollo's motion to dismiss, dismissing McEvoy's Investment Advisers Act claim with prejudice, and denying without prejudice Apollo's motion with respect to the remaining claims, and directing the parties to conduct limited discovery, and submit new briefing, solely with respect to the statute of limitations. After extensive motion practice, the District Court granted defendants' motion for summary judgment on statute of limitations grounds on March 10, 2022 and entered judgment in defendants' favor. Plaintiff appealed the District Court's decision to the United States Court of Appeals for the Eleventh Circuit. On March 30, 2023, the Eleventh Circuit affirmed the District Court's decision, and subsequently denied

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Plaintiffs' motion for rehearing on May 1, 2023. Apollo believes that Plaintiff's claims are without merit. No reasonable estimate of possible loss, if any, can be made at this time.

On December 21, 2017, several entities referred to collectively as "Harbinger" commenced an action in New York Supreme Court captioned *Harbinger Capital Partners II LP et al. v. Apollo Global Management LLC, et al.* (No. 657515/2017). The complaint named as defendants AAM, and funds managed by Apollo that invested in SkyTerra Communications, Inc. ("SkyTerra"), among others. The complaint alleged that during the period of Harbinger's various equity and debt investments in SkyTerra from 2004 to 2010, the defendants concealed from Harbinger material defects in SkyTerra technology. The complaint further alleged that Harbinger would not have made investments in SkyTerra totaling approximately \$1.9 billion had it known of the defects, and that the public disclosure of these defects ultimately led to SkyTerra filing for bankruptcy in 2012 (after it had been renamed LightSquared). The complaint sought \$1.9 billion in damages, as well as punitive damages, interest, costs, and fees. On June 12, 2019, Harbinger voluntarily discontinued the state action without prejudice. On June 8, 2020, Harbinger refiled its litigation in New York Supreme Court, captioned *Harbinger Capital Partners II, LP et al. v. Apollo Global Management, LLC et al.* (No. 652342/2020). The complaint added eight new defendants and three new claims relating to Harbinger's contention that the new defendants induced Harbinger to buy CCTV One Four Holdings, LLC ("CCTV") to support SkyTerra's network even though they allegedly knew that the network had material defects. On November 23, 2020, Defendants refiled a bankruptcy motion, and on November 24, 2020, filed in the state court a motion to stay the state court proceedings pending a ruling by the bankruptcy court on the bankruptcy motion. On February 1, 2021, the bankruptcy court denied the bankruptcy motion. On March 31, 2021, Defendants filed their motions to dismiss the New York Supreme Court action. Hearings were held on the motions to dismiss on February 15, 2022 and February 18, 2022, and the motions remain pending. Apollo believes the claims in this action are without merit. Because this action is in the early stages, no reasonable estimate of possible loss, if any, can be made at this time.

In March 2020, Frank Funds, which claims to be a former shareholder of MPM Holdings, Inc. ("MPM"), commenced an action in the Delaware Court of Chancery, captioned *Frank Funds v. Apollo Global Management, Inc., et al.*, C.A. No. 2020-0130, against AAM, certain former MPM directors (including three Apollo officers and employees), and members of the consortium that acquired MPM in a May 2019 merger. The complaint asserted, on behalf of a putative class of former MPM shareholders, a claim against Apollo for breach of its fiduciary duties as MPM's alleged controlling shareholder in connection with the May 2019 merger. Frank Funds seeks unspecified compensatory damages. On July 23, 2019, a group of former MPM shareholders filed an appraisal petition in Delaware Chancery Court seeking the fair value of their MPM shares that were purchased through MPM's May 15, 2019 merger, in an action captioned *In re Appraisal of MPM Holdings, Inc.*, C.A. No. 2019-0519 (Del. Ch.). On June 3, 2020, petitioners moved for leave to file a verified amended appraisal petition and class-action complaint that included claims for breach of fiduciary duty and/or aiding and abetting breaches of fiduciary duty against AAM, the Apollo-affiliated fund that owned MPM's shares before the merger, certain former MPM directors (including three Apollo employees), and members of the consortium that acquired MPM, based on alleged actions related to the May 2019 merger. The petitioners also sought to consolidate their appraisal proceeding with the Frank Funds action. On November 13, 2020, the Chancery Court granted the parties' stipulated order to consolidate the two matters, and on December 21, 2020, the Chancery Court granted petitioners' motion for leave to file the proposed amended complaint. This new consolidated action is captioned *In re MPM Holdings Inc. Appraisal and Stockholder Litigation*, C.A. No. 2019-0519 (Del. Ch.). On January 13, 2022, the Chancery Court denied Apollo's motion to dismiss. Apollo believes the claims in this action are without merit. Because this action is in the early stages, no reasonable estimate of possible loss, if any, can be made at this time.

On August 4, 2020, a putative class action complaint was filed in the United States District Court for the District of Nevada against PlayAGS Inc. ("PlayAGS"), all of the members of PlayAGS's board of directors (including three directors who are affiliated with Apollo), certain underwriters of PlayAGS (including Apollo Global Securities, LLC), as well as AAM, Apollo Investment Fund VIII, L.P., Apollo Gaming Holdings, L.P., and Apollo Gaming Voteco, LLC (these last four parties, together, the "Apollo Defendants"). The complaint asserted claims against all defendants arising under the Securities Act of 1933 in connection with certain secondary offerings of PlayAGS stock conducted in August 2018 and March 2019, alleging that the registration statements issued in connection with those offerings did not fully disclose certain business challenges facing PlayAGS. The complaint further asserted a control person claim under Section 20(a) of the Exchange Act against the Apollo Defendants and the director defendants (including the directors affiliated with Apollo), alleging such defendants were responsible for certain misstatements and omissions by PlayAGS about its business. On December 2, 2022, the Court dismissed all claims against the underwriters (including Apollo Global Securities, LLC) and the Apollo Defendants, but allowed a claim against PlayAGS and two of the Company's executives to proceed. No reasonable estimate of possible loss, if any, can be made at this time.

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Certain of Apollo's investment adviser subsidiaries have received a request for information and documents from the SEC in connection with an investigation concerning compliance with record retention requirements relating to business communications sent or received via electronic messaging channels. As has been publicly reported, the SEC is conducting similar investigations of other investment advisers.

19. Segments

The Company conducts its business through three reportable segments: (i) Asset Management, (ii) Retirement Services and (iii) Principal Investing. Segment information is utilized by the Company's chief operating decision maker to assess performance and to allocate resources.

The performance is measured by the Company's chief operating decision maker on an unconsolidated basis because the chief operating decision maker makes operating decisions and assesses the performance of each of the Company's business segments based on financial and operating metrics and data that exclude the effects of consolidation of any of the affiliated funds.

Segment Income

Segment Income is the key performance measure used by management in evaluating the performance of the asset management, retirement services, and principal investing segments. Management uses Segment Income to make key operating decisions such as the following:

- decisions related to the allocation of resources such as staffing decisions, including hiring and locations for deployment of the new hires;
- decisions related to capital deployment such as providing capital to facilitate growth for the business and/or to facilitate expansion into new businesses;
- decisions related to expenses, such as determining annual discretionary bonuses and equity-based compensation awards to its employees. With respect to compensation, management seeks to align the interests of certain professionals and selected other individuals with those of the investors in the funds and those of Apollo's stockholders by providing such individuals a profit sharing interest in the performance fees earned in relation to the funds. To achieve that objective, a certain amount of compensation is based on Apollo's performance and growth for the year; and
- decisions related to the amount of earnings available for dividends to common stockholders and holders of equity-based awards that participate in dividends.

Segment Income is a measure of profitability and has certain limitations in that it does not take into account certain items included under U.S. GAAP. Segment Income is the sum of (i) Fee Related Earnings, (ii) Spread Related Earnings and (iii) Principal Investing Income. Segment Income excludes the effects of the consolidation of any of the related funds and SPACs, interest and other financing costs related to AGM not attributable to any specific segment, taxes and related payables, transaction-related charges and any acquisitions. Transaction-related charges includes equity-based compensation charges, the amortization of intangible assets, contingent consideration, and certain other charges associated with acquisitions, and restructuring charges. In addition, Segment Income excludes non-cash revenue and expense related to equity awards granted by unconsolidated related parties to employees of the Company, compensation and administrative related expense reimbursements, as well as the assets, liabilities and operating results of the funds and VIEs that are included in the condensed consolidated financial statements.

Segment Income may not be comparable to similarly titled measures used by other companies and is not a measure of performance calculated in accordance with U.S. GAAP. We use Segment Income as a measure of operating performance, not as a measure of liquidity. Segment Income should not be considered in isolation or as a substitute for net income or other income data prepared in accordance with U.S. GAAP. The use of Segment Income without consideration of related U.S. GAAP measures is not adequate due to the adjustments described above. Management compensates for these limitations by using Segment Income as a supplemental measure to U.S. GAAP results, to provide a more complete understanding of our performance as management measures it. A reconciliation of Segment Income to its most directly comparable U.S. GAAP measure of income (loss) before income tax provision can be found in this footnote.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Fee Related Earnings

Fee Related Earnings (“FRE”) is a component of Segment Income that is used to assess the performance of the 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 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.

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 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.

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.

APOLLO GLOBAL MANAGEMENT, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The following presents financial data for the Company's reportable segments.

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Asset Management		
Management fees ¹	\$ 577	\$ 505
Capital solutions fees and other, net	138	64
Fee-related performance fees	27	14
Fee-related compensation	(211)	(175)
Other operating expenses	(134)	(98)
Fee Related Earnings	397	310
Retirement Services		
Fixed income and other investment income, net	1,957	1,207
Alternative investment income, net	185	448
Strategic capital management fees	14	12
Cost of funds	(1,235)	(822)
Other operating expenses	(124)	(109)
Interest and other financing costs	(109)	(62)
Spread Related Earnings	688	674
Principal Investing		
Realized performance fees	164	127
Realized investment income	28	226
Principal investing compensation	(170)	(156)
Other operating expenses	(14)	(10)
Principal Investing Income	8	187
Segment Income	\$ 1,093	\$ 1,171
Segment Assets:	March 31, 2023	December 31, 2022
Asset Management	\$ 2,030	\$ 1,918
Retirement Services	253,451	240,483
Principal Investing	8,158	8,099
Total Assets²	\$ 263,639	\$ 250,500

¹ Includes intersegment management fees from Retirement Services of \$ 216 million and \$182 million for the three months ended March 31, 2023 and 2022, respectively.

² Refer below for a reconciliation of total assets for Apollo's total reportable segments to total consolidated assets.

The following reconciles total consolidated revenues to total asset management fee related revenues:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Total Consolidated Revenues	\$ 5,301	\$ 862
Retirement services GAAP revenue	(4,265)	247
Equity awards granted by unconsolidated related parties, reimbursable expenses and other ¹	(69)	(41)
Adjustments related to consolidated funds and VIEs ¹	(1)	76
Performance fees	(401)	(571)
Principal investment income	(39)	(172)
Retirement services management fees	216	182
Total Asset Management Fee Related Revenues	\$ 742	\$ 583

¹ Represents advisory fees, management fees and performance fees earned from consolidated VIEs which are eliminated in consolidation. Includes non-cash revenues related to equity awards granted by unconsolidated related parties to employees of the Company and certain compensation and administrative related expense reimbursements.

APOLLO GLOBAL MANAGEMENT, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The following presents the reconciliation of income before income tax provision reported in the condensed consolidated statements of operations to Segment Income:

<i>(In millions)</i>	Three months ended March 31,	
	2023	2022
Income (loss) before income tax provision (benefit)	\$ 1,791	\$ (1,544)
Asset Management Adjustments:		
Equity-based profit sharing expense and other ¹	67	97
Equity-based compensation	52	56
Transaction-related charges ²	(3)	(1)
Merger-related transaction and integration costs ³	7	18
(Gains) losses from change in tax receivable agreement liability	—	14
Net (income) loss attributable to non-controlling interests in consolidated entities	(523)	649
Unrealized performance fees	(239)	(445)
Unrealized profit sharing expense	135	191
HoldCo interest and other financing costs ⁴	21	39
Unrealized principal investment income (loss)	(10)	82
Unrealized net (gains) losses from investment activities and other	12	(18)
Retirement Services Adjustments:		
Investment (gains) losses, net of offsets	(397)	2,636
Non-operating change in insurance liabilities and related derivatives	135	(649)
Integration, restructuring and other non-operating expenses	29	34
Equity-based compensation	16	12
Segment Income	\$ 1,093	\$ 1,171

¹ Equity-based profit sharing expense and other includes certain profit sharing arrangements in which a portion of performance fees distributed to the general partner are required to be used by employees of Apollo to purchase restricted shares of common stock or is delivered in the form of RSUs, which are granted under the Equity Plan. Equity-based profit sharing expense and other also includes performance grants which are tied to the Company's receipt of performance fees, within prescribed periods, sufficient to cover the associated equity-based compensation expense.

² Transaction-related charges include contingent consideration, equity-based compensation charges and the amortization of intangible assets and certain other charges associated with acquisitions, and restructuring charges.

³ Merger-related transaction and integration costs includes advisory services, technology integration, equity-based compensation charges and other costs associated with the Mergers.

⁴ Represents interest and other financing costs related to AGM not attributable to any specific segment.

The following table presents the reconciliation of the Company's total reportable segment assets to total assets:

<i>(In millions)</i>	March 31, 2023	December 31, 2022
Total reportable segment assets	\$ 263,639	\$ 250,500
Adjustments ¹	6,685	6,717
Total assets	\$ 270,324	\$ 257,217

¹ Represents the addition of assets of consolidated funds and VIEs and consolidation elimination adjustments.

20. Subsequent Events

Dividends

On May 9, 2023, the Company declared a cash dividend of \$0.43 per share of common stock, which will be paid on May 31, 2023 to holders of record at the close of business on May 22, 2023.

ITEM 1A. UNAUDITED SUPPLEMENTAL PRESENTATION OF STATEMENTS OF FINANCIAL CONDITION

	March 31, 2023			
	Apollo Global Management, Inc. and Consolidated Subsidiaries	Consolidated Funds and VIEs	Eliminations	Consolidated
<i>(In millions)</i>				
Assets				
Asset Management				
Cash and cash equivalents	\$ 1,255	\$ —	\$ —	\$ 1,255
Restricted cash and cash equivalents	2	1,059	—	1,061
Investments	5,734	—	(138)	5,596
Assets of consolidated variable interest entities				
Cash and cash equivalents	—	123	—	123
Investments	—	1,812	(49)	1,763
Other assets	—	110	(78)	32
Due from related parties	518	—	(54)	464
Goodwill	264	—	—	264
Other assets	2,407	2	—	2,409
	10,180	3,106	(319)	12,967
Retirement Services				
Cash and cash equivalents	13,844	—	—	13,844
Restricted cash and cash equivalents	1,148	—	—	1,148
Investments	176,466	—	—	176,466
Investments in related parties	38,160	—	(11,396)	26,764
Assets of consolidated variable interest entities				
Cash and cash equivalents	—	654	—	654
Investments	1,499	14,667	(105)	16,061
Other assets	7	104	—	111
Reinsurance recoverable	4,229	—	—	4,229
Deferred acquisition costs, deferred sales inducements and value of business acquired	4,836	—	—	4,836
Goodwill	4,061	—	—	4,061
Other assets	9,198	—	(15)	9,183
	253,448	15,425	(11,516)	257,357
Total Assets	<u>\$ 263,628</u>	<u>\$ 18,531</u>	<u>\$ (11,835)</u>	<u>\$ 270,324</u>

(Continued)

	March 31, 2023			
	Apollo Global Management, Inc. and Consolidated Subsidiaries	Consolidated Funds and VIEs	Eliminations	Consolidated
<i>(In millions)</i>				
Liabilities, Redeemable non-controlling interests and Equity				
Liabilities				
Asset Management				
Accounts payable, accrued expenses, and other liabilities	\$ 3,119	\$ 70	\$ —	\$ 3,189
Due to related parties	1,059	8	(87)	980
Debt	2,814	—	—	2,814
Liabilities of consolidated variable interest entities				
Notes payable	—	43	—	43
Other liabilities	—	1,254	(2)	1,252
	6,992	1,375	(89)	8,278
Retirement Services				
Interest sensitive contract liabilities	181,100	—	—	181,100
Future policy benefits	42,490	—	—	42,490
Market risk benefits	3,203	—	—	3,203
Debt	3,650	—	—	3,650
Payables for collateral on derivatives and securities to repurchase	10,196	—	—	10,196
Other liabilities	2,831	—	—	2,831
Liabilities of consolidated variable interest entities				
Other liabilities	122	725	(5)	842
	243,592	725	(5)	244,312
Total Liabilities	250,584	2,100	(94)	252,590
Commitments and Contingencies (note 18)				
Redeemable non-controlling interests:				
Redeemable non-controlling interests	—	1,037	5	1,042
Equity				
Additional paid in capital	14,476	(82)	14	14,408
Retained earnings (accumulated deficit)	(179)	11,795	(11,788)	(172)
Accumulated other comprehensive income (loss)	(6,162)	(28)	28	(6,162)
Total AGM Stockholders' Equity	8,135	11,685	(11,746)	8,074
Non-controlling interests	4,909	3,709	—	8,618
Total Equity	13,044	15,394	(11,746)	16,692
Total Liabilities, Redeemable non-controlling interests and Equity	\$ 263,628	\$ 18,531	\$ (11,835)	\$ 270,324

(Concluded)

	December 31, 2022			
	Apollo Global Management, Inc. and Consolidated Subsidiaries	Consolidated Funds and VIEs	Eliminations	Consolidated
<i>(In millions)</i>				
Assets				
Asset Management				
Cash and cash equivalents	\$ 1,201	\$ —	\$ —	\$ 1,201
Restricted cash and cash equivalents	2	1,046	—	1,048
Investments	5,713	—	(131)	5,582
Assets of consolidated variable interest entities				
Cash and cash equivalents	—	110	—	110
Investments	—	2,371	(2)	2,369
Other assets	—	88	(58)	30
Due from related parties	504	1	(40)	465
Goodwill	264	—	—	264
Other assets	2,321	12	—	2,333
	<u>10,005</u>	<u>3,628</u>	<u>(231)</u>	<u>13,402</u>
Retirement Services				
Cash and cash equivalents	7,779	—	—	7,779
Restricted cash and cash equivalents	628	—	—	628
Investments	172,488	—	—	172,488
Investments in related parties	35,286	—	(11,326)	23,960
Assets of consolidated variable interest entities				
Cash and cash equivalents	—	362	—	362
Investments	1,492	14,207	—	15,699
Other assets	8	104	—	112
Reinsurance recoverable	4,358	—	—	4,358
Deferred acquisition costs, deferred sales inducements and value of business acquired	4,466	—	—	4,466
Goodwill	4,058	—	—	4,058
Other assets	9,919	—	(14)	9,905
	<u>240,482</u>	<u>14,673</u>	<u>(11,340)</u>	<u>243,815</u>
Total Assets	<u>\$ 250,487</u>	<u>\$ 18,301</u>	<u>\$ (11,571)</u>	<u>\$ 257,217</u>

(Continued)

	December 31, 2022			
	Apollo Global Management, Inc. and Consolidated Subsidiaries	Consolidated Funds and VIEs	Eliminations	Consolidated
<i>(In millions, except share data)</i>				
Liabilities, Redeemable non-controlling interests and Equity				
Liabilities				
Asset Management				
Accounts payable, accrued expenses, and other liabilities	\$ 2,915	\$ 61	\$ (1)	\$ 2,975
Due to related parties	1,056	8	(66)	998
Debt	2,814	—	—	2,814
Liabilities of consolidated variable interest entities				
Notes payable	—	50	—	50
Other liabilities	—	1,899	—	1,899
	6,785	2,018	(67)	8,736
Retirement Services				
Interest sensitive contract liabilities	173,616	—	—	173,616
Future policy benefits	42,110	—	—	42,110
Market risk benefits	2,970	—	—	2,970
Debt	3,658	—	—	3,658
Payables for collateral on derivatives and securities to repurchase	6,707	—	—	6,707
Other liabilities	3,213	—	—	3,213
Liabilities of consolidated variable interest entities				
Other liabilities	124	691	(6)	809
	232,398	691	(6)	233,083
Total Liabilities	239,183	2,709	(73)	241,819
Commitments and Contingencies (note 18)				
Redeemable non-controlling interests:				
Redeemable non-controlling interests	—	1,027	5	1,032
Equity				
Additional paid in capital	15,040	(72)	14	14,982
Retained earnings (accumulated deficit)	(1,002)	11,734	(11,739)	(1,007)
Accumulated other comprehensive income (loss)	(7,337)	(34)	36	(7,335)
Total AGM Stockholders' Equity	6,701	11,628	(11,689)	6,640
Non-controlling interests	4,603	2,937	186	7,726
Total Equity	11,304	14,565	(11,503)	14,366
Total Liabilities, Redeemable non-controlling interests and Equity	\$ 250,487	\$ 18,301	\$ (11,571)	\$ 257,217

(Concluded)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with Apollo Global Management, Inc.'s condensed consolidated financial statements and the related notes within this quarterly report. This discussion contains forward-looking statements that are subject to known and unknown risks and uncertainties. Actual results and the timing of events may differ significantly from those expressed or implied in such forward-looking statements due to a number of factors, including those included in the section entitled "Item 1A. Risk Factors" in the 2022 Annual Report. The highlights listed below have had significant effects on many items within our condensed consolidated financial statements and affect the comparison of the current period's activity with those of prior periods. Target returns included in this report are presented gross and do not account for fees, expenses and taxes, which will reduce returns. Target returns are neither guarantees nor predictions or projections of future performance. There can be no assurance that target returns will be achieved or that Apollo will be successful in implementing the applicable strategy. Actual gross and net returns for funds managed by Apollo, and individual investors participating directly or indirectly in funds managed by Apollo, may vary significantly from the target returns set forth herein.

General

Our Businesses

Founded in 1990, Apollo is a high-growth, global alternative asset manager and a retirement services provider. Apollo conducts its business primarily in the United States through the following three reportable segments: Asset Management, Retirement Services and Principal Investing. These business segments are differentiated based on the investment services they provide as well as varying investing strategies. As of March 31, 2023, Apollo had a team of 2,567 employees and Athene had 1,848 employees.

Asset Management

Our Asset Management segment focuses on three investing strategies: yield, hybrid and equity. We have a flexible mandate in many of the funds we manage which enables the funds to invest opportunistically across a company's capital structure. We raise, invest and manage funds, accounts and other vehicles on behalf of some of the world's most prominent pension, endowment and sovereign wealth funds and insurance companies, as well as other institutional and individual investors. As of March 31, 2023, we had total AUM of \$598 billion.

The yield, hybrid and equity investing strategies of our Asset Management segment reflect the range of investment capabilities across our platform based on relative risk and return. As an asset manager, we earn fees for providing investment management services and expertise to our client base. The amount of fees charged for managing these assets depends on the underlying investment strategy, liquidity profile, and, ultimately, our ability to generate returns for our clients. We also earn capital solutions fees as part of our growing capital solutions business and as part of monitoring and deployment activity alongside our sizeable private equity franchise. After expenses, we call the resulting earnings stream "Fee Related Earnings" or "FRE", which represents the primary performance measure for the Asset Management segment.

Yield

Yield is our largest asset management strategy with \$438 billion of AUM as of March 31, 2023. Our yield strategy focuses on generating excess returns through high-quality credit underwriting and origination. Beyond participation in the traditional issuance and secondary credit markets, through our origination platforms and corporate solutions capabilities we seek to originate attractive and safe-yielding assets for the investors in the funds we manage. Within our yield strategy, we target 4% to 10% returns for our clients. Since inception, the total return yield fund has generated a 5% gross Return on Equity ("ROE") and 4% net ROE annualized through March 31, 2023.

Hybrid

Our hybrid strategy, with \$59 billion of AUM as of March 31, 2023, brings together our capabilities across debt and equity to seek to offer a differentiated risk-adjusted return with an emphasis on structured downside protected opportunities across asset classes. We target 8% to 15% returns within our hybrid strategy by pursuing investments in all market environments, deploying capital during both periods of dislocation and market strength, and focusing on different investing strategies and asset classes.

The flagship hybrid credit hedge fund we manage has generated an 11% gross ROE and a 7% net ROE annualized and the hybrid value funds we manage have generated a 20% gross IRR and a 16% net IRR from inception through March 31, 2023.

Equity

Our equity strategy manages \$101 billion of AUM as of March 31, 2023. Our equity strategy emphasizes flexibility, complexity, and purchase price discipline to drive opportunistic-like returns for our clients throughout market cycles. Apollo's equity team has experience across sectors, industries, and geographies in both private equity and real estate equity. Our control equity transactions are principally buyouts, corporate carveouts and distressed investments, while the real estate funds we manage generally transact in single asset, portfolio and platform acquisitions. Within our equity strategy, we target upwards of 15% returns in the funds we manage. We have consistently produced attractive long-term investment returns in the traditional private equity funds we manage, generating a 39% gross IRR and a 24% net IRR on a compound annual basis from inception through March 31, 2023.

Retirement Services

Our retirement services business is conducted by Athene, a leading financial services company 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's primary product line is annuities, which include fixed, payout and group annuities issued in conjunction with pension group annuity transactions. Athene also offers funding agreements, which are comprised of funding agreements issued under its FABN and FABR programs, funding agreements issued to the FHLB and repurchase agreements with an original maturity exceeding one year. Our asset management business provides a full suite of services for Athene's investment portfolio, including direct investment management, asset allocation, merger and acquisition asset diligence and certain operational support services, including investment compliance, tax, legal and risk management support.

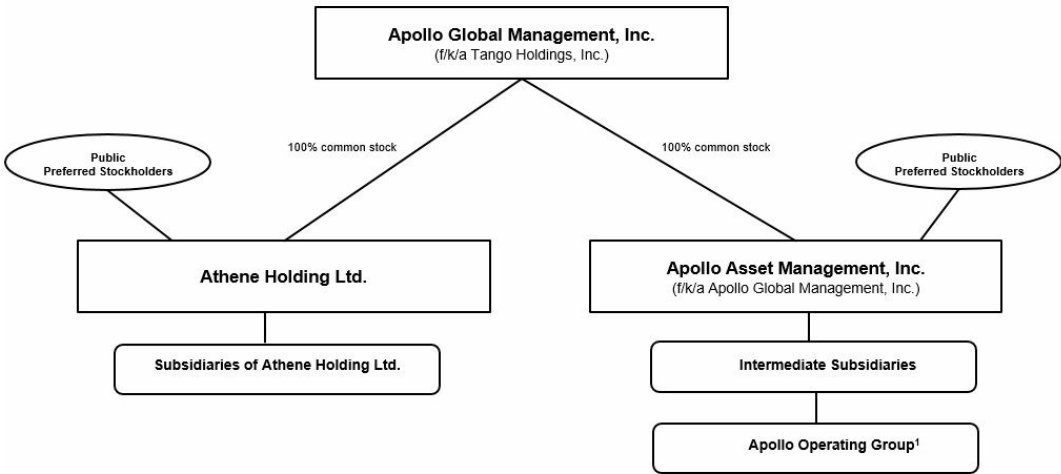
Our retirement services business focuses on generating spread income by combining the two core competencies of (1) sourcing long-term, persistent liabilities and (2) using the global scale and reach of our asset management business to actively source or originate assets with Athene's preferred risk and return characteristics. Athene's investment philosophy is to invest a portion of its assets in securities that earn an incremental yield by taking measured liquidity and complexity risk and capitalizing on its long-dated funding profile to prudently achieve higher net investment earned rates, rather than assuming incremental credit risk. A cornerstone of Athene's investment philosophy is that given the operating leverage inherent in its business, modest investment outperformance can translate to outsized return performance. Because Athene maintains discipline in underwriting attractively priced liabilities, it has the ability to invest in a broad range of high-quality assets to generate attractive earnings.

Principal Investing

Our Principal Investing segment is comprised of our realized performance fee income, realized investment income from our balance sheet investments, and certain allocable expenses related to corporate functions supporting the entire company. The Principal Investing segment also includes our growth capital and liquidity resources at AGM. We expect to deploy capital into strategic investments over time that will help accelerate the growth of our Asset Management segment, by broadening our investment management and/or product distribution capabilities or increasing the efficiency of our operations. We believe these investments will translate into greater compounded annual growth of Fee Related Earnings.

Given the cyclical nature of performance fees, earnings from our Principal Investing segment, or Principal Investing Income ("PII"), are inherently more volatile in nature than earnings from the Asset Management and Retirement Services segments. We earn fees based on the investment performance of the funds we manage and compensate our employees, primarily investment professionals, with a meaningful portion of these proceeds to align our team with the investors in the funds we manage and incentivize them to deliver strong investment performance over time. We expect to increase the proportion of performance fee income we pay to our employees over time, and as such proportion increases, we expect PII to represent a relatively smaller portion of our total company earnings.

The diagram below depicts our current organizational structure:



Note: The organizational structure chart above depicts a simplified version of the Apollo structure. It does not include all legal entities in the structure.

(1) Includes direct and indirect ownership by AGM.

Business Environment

Economic and Market Conditions

Our asset management and retirement services businesses are affected by the condition of global financial markets and the economy. Price fluctuations within equity, credit, commodity, foreign exchange markets, as well as interest rates and global inflation, which may be volatile and mixed across geographies, can significantly impact the performance of our business, including, but not limited to, the valuation of investments, including those of the funds we manage, and related income we may recognize.

Adverse economic conditions may result from domestic and global economic and political developments, including plateauing or decreasing economic growth and business activity, civil unrest, geopolitical tensions or military action, such as the armed conflict between Ukraine and Russia and corresponding sanctions imposed by the United States and other countries, and new or evolving legal and regulatory requirements on business investment, hiring, migration, labor supply and global supply chains.

We carefully monitor economic and market conditions that could potentially give rise to global market volatility and affect our business operations, investment portfolios and derivatives, which includes global inflation. In recent months, the global financial system has been experiencing increased volatility due to the failure of certain financial institutions, primarily U.S. regional banks. The current macroeconomic environment, recent bank failures and consolidations, changes in business and consumer behavior and other events affecting financial institutions, have also contributed to volatility in the commercial real estate market, and concerns regarding commercial real estate liquidity, financing availability and asset values, particularly in the office subsector. The potential impacts of rising interest rates and continued deposit outflows on global markets, financial institutions and macroeconomic conditions, generally, remain uncertain. Episodes of increased economic and market volatility may continue to occur and could worsen if there are additional instances of actual or threatened bank failures. For further information on the risks related to market or economic conditions and commercial real estate, see the section entitled “Item 1A. Risk Factors” in the 2022 Annual Report.

U.S. inflation receded during the first quarter of 2023, however the U.S. Federal Reserve continued its interest rate hiking cycle given Consumer Price Index (“CPI”) persisting above the 2% target. The U.S. Bureau of Labor Statistics reported that the annual U.S. inflation rate edged down to 5.0% as of March 31, 2023, compared to 6.5% as of December 31, 2022, as action

from the U.S. Federal Reserve continues to temper inflation. While declining, the heightened U.S. inflation rate persists due to a combination of supply and demand factors. As a result, in March 2023, the Federal Reserve raised the benchmark interest rate to a target range of 4.75% to 5.00%, up from a target range of 4.25% to 4.50% in December 2022, which marks two consecutive interest rate hikes to start 2023.

Equity market performance continued to rebound during the first quarter while credit markets underperformed. In the U.S., the S&P 500 Index increased by 7.0% during the first quarter of 2023, following an increase of 7.1% during the fourth quarter of 2022. Global equity markets also increased during the quarter, with the MSCI All Country World ex USA Index increasing 8.2%, following an increase of 16.3% in the fourth quarter of 2022.

Conditions in the credit markets have a significant impact on our business. Credit markets were positive in the first quarter of 2023, with the BofAML HY Master II Index increasing by 3.7%, while the S&P/LSTA Leveraged Loan Index increased by 2.9%.

In terms of economic conditions in the U.S., the Bureau of Economic Analysis reported real GDP increased at an annual rate of 1.1% in the first quarter of 2023, following an increase of 2.6% in the fourth quarter of 2022. As of April 2023, the International Monetary Fund estimated that the U.S. economy will expand by 1.6% in 2023 and 1.1% in 2024. The U.S. Bureau of Labor Statistics reported that the U.S. unemployment rate remained at 3.5% as of March 31, 2023.

Foreign exchange rates can materially impact the valuations of our investments and those of the funds we manage that are denominated in currencies other than the U.S. dollar. The U.S. dollar weakened in the first quarter of 2023 compared to the euro and the British pound. Relative to the U.S. dollar, the euro appreciated 1.3% during the first quarter of 2023, after appreciating 9.2% in the fourth quarter of 2022, while the British pound appreciated 2.1% in the first quarter of 2023, after appreciating 8.2% in the fourth quarter of 2022. Oil finished a volatile quarter down 5.7% as the general downward trend from 2022 was reversed in late March by a surprise cut from OPEC, after appreciating by 1.0% during the fourth quarter of 2022.

We are actively monitoring the developments in Ukraine resulting from the Russia/Ukraine conflict and the economic sanctions and restrictions imposed against Russia, Belarus, and certain Russian and Belarussian entities and individuals. The Company continues to (i) identify and assess any exposure to designated persons or entities across the Company's business; (ii) ensure existing surveillance and controls are calibrated to the evolving sanctions; and (iii) ensure appropriate levels of communication across the Company, and with other relevant market participants, as appropriate.

As of March 31, 2023, the funds we manage have no investments that would cause Apollo or any Apollo managed fund to be in violation of current international sanctions, and we believe the direct exposure of investment portfolios of the funds we manage to Russia and Ukraine is insignificant. The Company and the funds we manage do not intend to make any new material investments in Russia, and have appropriate controls in place to ensure review of any new exposure.

Institutional investors continue to allocate capital towards alternative investment managers in search of more attractive returns, and we believe the business environment remains generally accommodative to raise larger successor funds, launch new products, and pursue attractive strategic growth opportunities.

Interest Rate Environment

Rates experienced a volatile start to 2023 as U.S. 10-year Treasury yields rose through the start of March reaching 4.08% before declining to 3.48% at the end of the quarter. Given the Federal Reserve's continued focus on curbing inflation and recessionary concerns, it is difficult to predict the level of interest rates and the shape of the yield curve.

With respect to Retirement Services, Athene's investment portfolio consists predominantly of fixed maturity investments. If prevailing interest rates were to rise, we believe the yield on Athene's new investment purchases may also rise and Athene's investment income from floating rate investments would increase, while the value of Athene's existing investments may decline. If prevailing interest rates were to decline significantly, the yield on Athene's new investment purchases may decline and Athene's investment income from floating rate investments would decrease, while the value of Athene's existing investments may increase.

Athene addresses interest rate risk through managing the duration of the liabilities it sources with assets it acquires through asset liability management ("ALM") modeling. As part of its investment strategy, Athene purchases floating rate investments, which are expected to perform well in a rising interest rate environment and are expected to underperform in a declining rate

environment. As of March 31, 2023, Athene's net invested asset portfolio included \$41.7 billion of floating rate investments, or 20% of its net invested assets, and its net reserve liabilities included \$14.5 billion of floating rate liabilities at notional, or 7% of its net invested assets, resulting in \$27.2 billion of net floating rate assets, or 13% of its net invested assets.

If prevailing interest rates were to rise, we believe Athene's products would be more attractive to consumers and its sales would likely increase. If prevailing interest rates were to decline, it is likely that Athene's products would be less attractive to consumers and Athene's sales would likely decrease. In periods of prolonged low interest rates, the net investment spread may be negatively impacted by reduced investment income to the extent that Athene is unable to adequately reduce policyholder crediting rates due to policyholder guarantees in the form of minimum crediting rates or otherwise due to market conditions. A significant majority of Athene's deferred annuity products have crediting rates that it may reset annually upon renewal following the expiration of the current guaranteed period. While Athene has the contractual ability to lower these crediting rates to the guaranteed minimum levels, its willingness to do so may be limited by competitive pressures.

See "Part I—Item 3. Quantitative and Qualitative Disclosures About Market Risk," in this report and "Part II—Item 7A. Quantitative and Qualitative Disclosures About Market Risk," in our 2022 Annual Report, which include a discussion regarding interest rate and other significant risks and Athene's strategies for managing these risks.

Overview of Results of Operations

Financial Measures under U.S. GAAP - Asset Management

The following discussion of financial measures under U.S. GAAP is based on Apollo's asset management business as of March 31, 2023.

Revenues

Management Fees

The significant growth of the assets we manage has had a positive effect on our revenues. Management fees are typically calculated based upon any of "net asset value," "gross assets," "adjusted par asset value," "adjusted costs of all unrealized portfolio investments," "capital commitments," "invested capital," "adjusted assets," "capital contributions," or "stockholders' equity," each as defined in the applicable limited partnership agreement and/or management agreement of the unconsolidated funds or accounts.

Advisory and Transaction Fees, Net

As a result of providing advisory services with respect to actual and potential investments, we are entitled to receive fees for transactions related to the acquisition and, in certain instances, disposition and financing of companies, some of which are portfolio companies of the funds we manage, as well as fees for ongoing monitoring of portfolio company operations and directors' fees. We also receive advisory fees for advisory services provided to certain funds. In addition, monitoring fees are generated on certain structured portfolio company investments. Under the terms of the limited partnership agreements for certain funds, the management fee payable by the funds may be subject to a reduction based on a certain percentage (up to 100%) of such advisory and transaction fees, net of applicable broken deal costs ("Management Fee Offset"). Such amounts are presented as a reduction to advisory and transaction fees, net, in the condensed consolidated statements of operations (see note 2 to our condensed consolidated financial statements for more detail on advisory and transaction fees, net).

Performance Fees

The general partners of the funds we manage are entitled to an incentive return of normally up to 20% of the total returns of a fund's capital, depending upon performance of the underlying funds and subject to preferred returns and high water marks, as applicable. Performance fees, categorized as performance allocations, are accounted for as an equity method investment, and effectively, the performance fees for any period are based upon an assumed liquidation of the funds' assets at the reporting date, and distribution of the net proceeds in accordance with the funds' allocation provisions. Performance fees categorized as incentive fees, which are not accounted for as an equity method investment, are deferred until fees are probable to not be significantly reversed. The majority of performance fees are comprised of performance allocations.

As of March 31, 2023, approximately 45% of the value of the investments of the funds we manage, on a gross basis, was determined using market-based valuation methods (i.e., reliance on broker or listed exchange quotes) and the remaining 55% was determined primarily by comparable company and industry multiples or discounted cash flow models. See “Item 1A. Risk Factors—Risks Relating to Our Asset Management Business—*The performance of the funds we manage, and our performance, may be adversely affected by the financial performance of portfolio companies of the funds we manage and the industries in which the funds we manage invest*” in the 2022 Annual Report for discussion regarding certain industry-specific risks that could affect the fair value of certain of the portfolio company investments of the funds we manage.

In certain funds we manage, generally in our equity strategy, the Company does not earn performance fees until the investors have achieved cumulative investment returns on invested capital (including management fees and expenses) in excess of an 8% hurdle rate. Additionally, certain of the yield and hybrid funds we manage have various performance fee rates and hurdle rates. Certain of the yield and hybrid funds we manage allocate performance fees to the general partner in a similar manner as the equity funds. In certain funds we manage, as long as the investors achieve their priority returns, there is a catch-up formula whereby the Company earns a priority return for a portion of the return until the Company’s performance fees equate to its performance fee rate for that fund; thereafter, the Company participates in returns from the fund at the performance fee rate. Performance fees, categorized as performance allocations, are subject to reversal to the extent that the performance fees distributed exceed the amount due to the general partner based on a fund’s cumulative investment returns. The Company recognizes potential repayment of previously received performance fees as a general partner obligation representing all amounts previously distributed to the general partner that would need to be repaid to the Apollo funds if these funds were to be liquidated based on the current fair value of the underlying fund’s investments as of the reporting date. The actual general partner obligation, however, would not become payable or realized until the end of a fund’s life or as otherwise set forth in the respective limited partnership agreement of the fund.

The table below presents an analysis of Apollo's (i) performance fees receivable on an unconsolidated basis and (ii) realized and unrealized performance fees:

(in millions)	As of March 31, 2023		Performance Fees for the Three Months Ended March 31, 2023		
	Performance Fees Receivable on an Unconsolidated Basis	Unrealized	Realized	Total	
AIOF I and II	\$ 10.1	\$ (0.7)	\$ —	\$ (0.7)	
ANRP I, II and III ¹	29.4	(15.1)	0.4	(14.7)	
EPF Funds ¹	69.4	(2.6)	—	(2.6)	
FCI Funds	139.0	0.8	—	0.8	
Fund IX	1,560.6	298.8	23.4	322.2	
Fund VIII	202.0	(167.2)	118.3	(48.9)	
Fund VII ²	39.8	(0.7)	0.6	(0.1)	
Fund VI	19.3	(0.1)	1.7	1.6	
Fund IV and Fund V ¹	—	(0.1)	—	(0.1)	
HVF I	43.3	(0.5)	11.3	10.8	
Real Estate Equity	62.7	(1.3)	0.2	(1.1)	
Corporate Credit	24.4	6.2	8.8	15.0	
Structured Finance and ABS	76.6	7.7	7.8	15.5	
Direct Origination	161.1	11.6	10.4	22.0	
Other ^{1,3}	480.9	98.9	7.5	106.4	
Total	\$ 2,918.6	\$ 235.7	\$ 190.4	\$ 426.1	
Total, net of profit sharing payable ⁴ /expense	\$ 1,498.5	\$ 102.4	\$ 32.9	\$ 135.3	

¹ As of March 31, 2023, certain funds had \$119.4 million in general partner obligations to return previously distributed performance fees. The fair value gain on investments and income at the fund level needed to reverse the general partner obligations was \$1.7 billion as of March 31, 2023.

² As of March 31, 2023, the remaining investments and escrow cash of Fund VII was valued at 110% of the fund's unreturned capital, which was below the required escrow ratio of 115%. As a result, the fund is required to place in escrow current and future performance fee distributions to the general partner until the specified return ratio of 115% is met (at the time of a future distribution) or upon liquidation. As of March 31, 2023, Fund VII had \$85.5 million of gross performance fees or \$48.7 million net of profit sharing, in escrow. With respect to Fund VII, realized performance fees currently distributed to the general partner are limited to potential tax distributions and interest on escrow balances per the fund's partnership agreements. Performance fees receivable as of March 31, 2023 and realized performance fees for the three months ended March 31, 2023 include interest earned on escrow balances that is not subject to contingent repayment.

³ Other includes certain SIAs.

⁴ There was a corresponding profit sharing payable of \$1.4 billion as of March 31, 2023, including profit sharing payable related to amounts in escrow and contingent consideration obligations of \$53.2 million.

The general partners of certain of the funds we manage accrue performance fees, categorized as performance allocations, when the fair value of investments exceeds the cost basis of the individual investors' investments in the fund, including any allocable share of expenses incurred in connection with such investments, which we refer to as "high water marks." These high water marks are applied on an individual investor basis. Certain of the funds we manage have investors with various high water marks, the achievement of which is subject to market conditions and investment performance.

Performance fees from certain funds we manage are subject to contingent repayment by the general partner in the event of future losses to the extent that the cumulative performance fees distributed from inception to date exceeds the amount computed as due to the general partner at the final distribution. These general partner obligations, if applicable, are included in due to related parties on the condensed consolidated statements of financial condition.

The following table summarizes our performance fees since inception through March 31, 2023:

	Performance Fees Since Inception ¹				
	Undistributed by Fund and Recognized	Distributed by Fund and Recognized ²	Total Undistributed and Distributed by Fund and Recognized ³	General Partner Obligation ³	Maximum Performance Fees Subject to Potential Reversal ⁴
	<i>(in millions)</i>				
AIOF I and II	\$ 10.1	\$ 58.4	\$ 68.5	\$ —	\$ 37.9
ANRP I, II and III	29.4	159.1	188.5	32.0	33.5
EPF Funds	69.4	488.7	558.1	42.4	311.7
FCI Funds	139.0	24.2	163.2	—	139.0
Fund IX	1,560.6	612.9	2,173.5	—	1,942.2
Fund VIII	202.0	1,779.1	1,981.1	—	1,348.3
Fund VII	39.8	3,225.7	3,265.5	—	13.1
Fund VI	19.3	1,663.9	1,683.2	—	—
Fund IV and Fund V	—	2,053.1	2,053.1	31.4	—
HVF I	43.3	212.6	255.9	—	149.0
Real Estate Equity	62.7	75.6	138.3	1.2	74.3
Corporate Credit	24.4	928.0	952.4	—	16.2
Structured Finance and ABS	76.6	52.3	128.9	—	69.3
Direct Origination	161.1	77.1	238.2	—	145.8
Other ⁵	480.9	1,691.3	2,172.2	12.4	651.6
Total	\$ 2,918.6	\$ 13,102.0	\$ 16,020.6	\$ 119.4	\$ 4,931.9

¹ Certain funds are denominated in euros and historical figures are translated into U.S. dollars at an exchange rate of €1.00 to \$1.08 as of March 31, 2023. Certain funds are denominated in pounds sterling and historical figures are translated into U.S. dollars at an exchange rate of £1.00 to \$1.23 as of March 31, 2023.

² Amounts in “Distributed by Fund and Recognized” for the Citi Property Investors (“CPI”), Gulf Stream Asset Management, LLC (“Gulf Stream”), Stone Tower Capital LLC and its related companies (“Stone Tower”) funds and SIAs are presented for activity subsequent to the respective acquisition dates. Amounts exclude certain performance fees from business development companies and Redding Ridge Holdings LP (“Redding Ridge Holdings”), an affiliate of Redding Ridge.

³ Amounts were computed based on the fair value of fund investments on March 31, 2023. Performance fees have been allocated to and recognized by the general partner. Based on the amount allocated, a portion is subject to potential reversal or, to the extent applicable, has been reduced by the general partner obligation to return previously distributed performance fees at March 31, 2023. The actual determination and any required payment of any such general partner obligation would not take place until the final disposition of the fund’s investments based on contractual termination of the fund.

⁴ Represents the amount of performance fees that would be reversed if remaining fund investments became worthless on March 31, 2023. Amounts subject to potential reversal of performance fees include amounts undistributed by a fund (i.e., the performance fees receivable), as well as a portion of the amounts that have been distributed by a fund, net of taxes and not subject to a general partner obligation to return previously distributed performance fees, except for those funds that are gross of taxes as defined in the respective funds’ governing documents.

⁵ Other includes certain SIAs.

Expenses

Compensation and Benefits

The most significant expense in our asset management business is compensation and benefits expense. This consists of fixed salary, discretionary and non-discretionary bonuses, profit sharing expense associated with the performance fees earned and compensation expense associated with the vesting of non-cash equity-based awards.

Our compensation arrangements with certain employees contain a significant performance-based incentive component. Therefore, as our net revenues increase, our compensation costs rise. Our compensation costs also reflect the increased investment in people as we expand geographically and create new funds.

In addition, certain professionals and selected other individuals have a profit sharing interest in the performance fees earned in order to better align their interests with our own and with those of the investors in the funds we manage. Profit sharing expense is part of our compensation and benefits expense and is generally based upon a fixed percentage of performance fees. Certain of our performance-based incentive arrangements provide for compensation based on realized performance fees which includes fees earned by the general partners of the funds we manage under the applicable fund limited partnership agreements based

upon transactions that have closed or other rights to incentive income cash that have become fixed in the applicable calendar year period. Profit sharing expense can reverse during periods when there is a decline in performance fees that were previously recognized. Profit sharing amounts are normally distributed to employees after the corresponding investment gains have been realized and generally before preferred returns are achieved for the investors. Therefore, changes in our unrealized performance fees have the same effect on our profit sharing expense. Profit sharing expense increases when unrealized performance fees increase. Realizations only impact profit sharing expense to the extent that the effects on investments have not been recognized previously. If losses on other investments within a fund are subsequently realized, the profit sharing amounts previously distributed are normally subject to a general partner obligation to return performance fees previously distributed back to the funds. This general partner obligation due to the funds would be realized only when the fund is liquidated, which generally occurs at the end of the fund's term. However, indemnification obligations also exist for realized gains with respect to Fund IV, Fund V and Fund VI, which, although our Former Managing Partners and Contributing Partners would remain personally liable, may indemnify our Former Managing Partners and Contributing Partners for 17.5% to 100% of the previously distributed profits regardless of the fund's future performance. See note 17 to our condensed consolidated financial statements for further information regarding the Company's indemnification liability.

The Company grants equity awards to certain employees, including RSUs and restricted shares of common stock, that generally vest and become exercisable in quarterly installments or annual installments depending on the award terms. In some instances, vesting of an RSU is also subject to the Company's receipt of performance fees, within prescribed periods, sufficient to cover the associated equity-based compensation expense. See note 14 to our condensed consolidated financial statements for further discussion of equity-based compensation.

Other expenses

The balance of our other expenses includes interest, placement fees, and general, administrative and other operating expenses. Interest expense consists primarily of interest related to the 2024 Senior Notes, the 2026 Senior Notes, the 2029 Senior Notes, the 2030 Senior Notes, the 2048 Senior Notes and the 2050 Subordinated Notes as discussed in note 13 to our condensed consolidated financial statements. Placement fees are incurred in connection with our capital raising activities. In cases where the limited partners of the funds are determined to be the customer in an arrangement, placement fees may be capitalized as a cost to acquire a customer contract, and amortized over the life of the customer contract. General, administrative and other expenses includes occupancy expense, depreciation and amortization, professional fees and costs related to travel, information technology and administration. Occupancy expense represents charges related to office leases and associated expenses, such as utilities and maintenance fees. Depreciation and amortization of fixed assets is normally calculated using the straight-line method over their estimated useful lives, ranging from two to sixteen years, taking into consideration any residual value. Leasehold improvements are amortized over the shorter of the useful life of the asset or the expected term of the lease. Intangible assets are amortized based on the future cash flows over the expected useful lives of the assets.

Other Income (Loss)

Net Gains (Losses) from Investment Activities

Net gains (losses) from investment activities include both realized gains and losses and the change in unrealized gains and losses in our investment portfolio between the opening reporting date and the closing reporting date. Net unrealized gains (losses) are a result of changes in the fair value of unrealized investments and reversal of unrealized gains (losses) due to dispositions of investments during the reporting period. Significant judgment and estimation goes into the assumptions that drive these models and the actual values realized with respect to investments could be materially different from values obtained based on the use of those models. The valuation methodologies applied impact the reported value of investment company holdings and their underlying portfolios in our condensed consolidated financial statements.

Net Gains (Losses) from Investment Activities of Consolidated Variable Interest Entities ("VIEs")

Changes in the fair value of the consolidated VIEs' assets and liabilities and related interest, dividend and other income and expenses subsequent to consolidation are presented within net gains (losses) from investment activities of consolidated variable interest entities and are attributable to non-controlling interests in the condensed consolidated statements of operations.

Other Income (Losses), Net

Other income (losses), net includes gains (losses) arising from the remeasurement of foreign currency denominated assets and liabilities, remeasurement of the tax receivable agreement liability and other miscellaneous non-operating income and expenses.

Financial Measures under U.S. GAAP - Retirement Services

The following discussion of financial measures under U.S. GAAP is based on the Company's retirement services business which is operated by Athene as of March 31, 2023.

Revenues

Premiums

Premiums for long-duration contracts, including products with fixed and guaranteed premiums and benefits, are recognized as revenue when due from policyholders. Insurance revenues are reported net of reinsurance ceded.

Product charges

Revenues for universal life-type policies and investment contracts, including surrender and market value adjustments, costs of insurance, policy administration, GMDB, GLWB and no-lapse guarantee charges, are earned when assessed against policyholder account balances during the period.

Net investment income

Net investment income is a significant component of Athene's total revenues. Athene recognizes investment income as it accrues or is legally due, net of investment management and custody fees. Investment income on fixed maturity securities includes coupon interest, as well as the amortization of any premium and the accretion of any discount. Investment income on equity securities represents dividend income and preferred coupon interest.

Investment related gains (losses)

Investment related gains (losses) primarily consist of (i) realized gains and losses on sales of investments, (ii) unrealized gains or losses relating to identified risks within AFS securities in fair value hedging relationships, (iii) gains and losses on trading securities, (iv) gains and losses on equity securities, (v) change in the fair value of the embedded derivatives and derivatives not designated as a hedge, (vi) change in fair value of mortgage loan assets and (vii) allowance for expected credit losses recorded through the provision for credit losses.

Expenses

Interest sensitive contract benefits

Universal life-type policies and investment contracts include traditional deferred annuities, indexed annuities consisting of fixed indexed and index-linked variable annuities in the accumulation phase, funding agreements, immediate annuities without significant mortality risk (which include pension group annuities without life contingencies), universal life insurance, and other investment contracts inclusive of assumed endowments without significant mortality risk. Liabilities for traditional fixed annuities, universal life insurance and funding agreements are carried at the account balances without reduction for potential surrender or withdrawal charges, except for a block of universal life business ceded to Global Atlantic which is carried at fair value. Fixed indexed annuity, index-linked variable annuity and indexed universal life insurance contracts contain an embedded derivative. Benefit reserves for fixed indexed annuity, index-linked variable annuity and indexed universal life insurance contracts are reported as the sum of the fair value of the embedded derivative and the host (or guaranteed) component of the contracts. Liabilities for immediate annuities without significant mortality risk are calculated as the present value of future liability cash flows and policy maintenance expenses discounted at contractual interest rates. Certain contracts are offered with additional contract features that meet the definition of a market risk benefit. See —*Market risk benefits remeasurement (gains) losses* below for further information.

Changes in the interest sensitive contract liabilities, excluding deposits and withdrawals, are recorded in interest sensitive contract benefits or product charges on the condensed consolidated statements of operations.

Future policy and other policy benefits

Athene issues contracts classified as long-duration, which include term and whole life, accident and health, disability, and immediate annuities with life contingencies (which include pension group annuities with life contingencies). Liabilities for nonparticipating long-duration contracts are established as the estimated present value of benefits Athene expects to pay to or on behalf of the policyholder and related expenses less the present value of the net premiums to be collected, referred to as the net premium ratio. Liabilities for nonparticipating long-duration contracts are established using accepted actuarial valuation methods which require the use of assumptions related to discount rate, expenses, longevity, mortality, morbidity, persistency and other policyholder behavior. The liability for nonparticipating long-duration contracts is discounted using an upper-medium grade fixed income instrument yield aligned to the duration of the liability.

Changes in the value of the liability for nonparticipating long-duration contracts due to changes in the discount rate are recognized as a component of OCI on the condensed consolidated statements of comprehensive income (loss). The change in the liability for the remeasurement gain or loss and all other changes in the liability are recorded in future policy and other policy benefits on the condensed consolidated statements of operations.

Future policy benefits include liabilities for no-lapse guarantees on universal life insurance and fixed indexed universal life insurance that do not meet the criteria to be classified and accounted for as a market risk benefit. Each reporting period, expected excess benefits and assessments are updated with actual benefits and assessments and the liability balance is adjusted due to the OCI effects of unrealized investment gains and losses on AFS securities.

Changes in the liabilities associated with no-lapse guarantees, other than the adjustment for the OCI effects of unrealized investment gains and losses on AFS securities, are recorded in future policy and other policy benefits on the condensed consolidated statements of operations.

Market risk benefits remeasurement (gains) losses

Market risk benefits represent contracts or contract features that both provide protection to the contract holder from, and expose the insurance entity to, other-than-nominal capital market risk. Athene issues and reinsures deferred annuity contracts which contain GLWB and GMDB riders that meet the criteria for, and are classified as, market risk benefits.

Market risk benefits are measured at fair value at the contract level and may be recorded as a liability or an asset, which are included in market risk benefits or other assets, respectively, on the condensed consolidated statements of financial condition. Fees and assessments that are collectible from the policyholder at contract inception are allocated to the extent they are attributable to the market risk benefit. If the fees are sufficient to cover the projected benefits, a non-option based valuation model is used. If the fees are insufficient to cover the projected benefits, an option-based valuation model is used to compute the market risk benefit liability at contract inception, with an equal and offsetting adjustment recognized in interest sensitive contract liabilities.

Changes in fair value of market risk benefits are recorded in market risk benefits remeasurement (gains) losses on the condensed consolidated statements of operations, excluding portions attributed to changes in instrument-specific credit risk, which are recorded in OCI on the condensed consolidated statements of comprehensive income (loss). Ceded market risk benefits are measured at fair value and recorded within reinsurance recoverable on the condensed consolidated statements of financial condition.

Amortization of deferred acquisition costs, deferred sales inducements, and value of business acquired

Costs related directly to the successful acquisition of new, or the renewal of existing, insurance or investment contracts are deferred. These costs consist of commissions and policy issuance costs, as well as sales inducements credited to policyholder account balances, and are included in deferred acquisition costs, deferred sales inducements and value of business acquired on the condensed consolidated statements of financial condition.

Deferred costs related to universal life-type policies and investment contracts with significant revenue streams from sources other than investment of the policyholder funds are grouped into cohorts based on issue year and contract type and amortized on

a constant level basis over the expected term of the related contracts. The cohorts and assumptions used for the amortization of deferred costs are consistent with those used in estimating the related liabilities for these contracts. Deferred costs related to investment contracts without significant revenue streams from sources other than investment of the policyholder funds are amortized using the effective interest method. The effective interest method amortizes the deferred costs by discounting the future liability cash flows at a break-even rate. VOBA associated with acquired contracts is amortized in relation to applicable policyholder liabilities. Significant assumptions that impact VOBA amortization are consistent with those that impact the measurement of policyholder liabilities.

Amortization of DAC, DSI and VOBA is included in amortization of deferred acquisition costs, deferred sales inducements and value of business acquired on the condensed consolidated statements of operations.

Policy and other operating expenses

Policy and other operating expenses includes normal operating expenses, policy acquisition expenses, interest expense, dividends to policyholders, integration, restructuring and other non-operating expenses, and stock compensation expenses.

Other Financial Measures under U.S. GAAP

Income Taxes

Significant judgment is required in determining the provision for income taxes and in evaluating income tax positions, including evaluating uncertainties. We recognize the income tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained upon examination, including resolution of any related appeals or litigation, based on the technical merits of the positions. The tax benefit is measured as the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. If a tax position is not considered more likely than not to be sustained, then no benefits of the position are recognized. The Company’s income tax positions are reviewed and evaluated quarterly to determine whether or not we have uncertain tax positions that require financial statement recognition or de-recognition.

Deferred tax assets and liabilities are recognized for the expected future tax consequences, using currently enacted tax rates, of differences between the carrying amount of assets and liabilities and their respective tax basis. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period when the change is enacted. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Non-Controlling Interests

For entities that are consolidated, but not 100% owned, a portion of the income or loss and corresponding equity is allocated to owners other than Apollo. The aggregate of the income or loss and corresponding equity that is not owned by the Company is included in non-controlling interests in the condensed consolidated financial statements. Non-controlling interests primarily include limited partner interests in certain consolidated funds and VIEs. Prior to the Mergers on January 1, 2022, the non-controlling interests relating to Apollo Global Management, Inc. also included the ownership interest in the Apollo Operating Group held by the Former Managing Partners and Contributing Partners through their limited partner interests in AP Professional Holdings, L.P. and the non-controlling interest in the Apollo Operating Group held by Athene.

The authoritative guidance for non-controlling interests in the condensed consolidated financial statements requires reporting entities to present non-controlling interest as equity and provides guidance on the accounting for transactions between an entity and non-controlling interests. According to the guidance, (1) non-controlling interests are presented as a separate component of stockholders’ equity on the Company’s condensed consolidated statements of financial condition, (2) net income (loss) includes the net income (loss) attributable to the non-controlling interest holders on the Company’s condensed consolidated statements of operations, (3) the primary components of non-controlling interest are separately presented in the Company’s condensed consolidated statements of changes in stockholders’ equity to clearly distinguish the interests in the Apollo Operating Group and other ownership interests in the consolidated entities and (4) profits and losses are allocated to non-controlling interests in proportion to their ownership interests regardless of their basis.

Results of Operations

Below is a discussion of our condensed consolidated statements of operations for the three months ended March 31, 2023 and 2022. For additional analysis of the factors that affected our results at the segment level, see “—Segment Analysis” below:

	For the Three Months ended March 31,		Total Change	Percentage Change
	2023	2022		
	(In millions)			
Revenues				
Asset Management				
Management fees	\$ 414	\$ 336	\$ 78	23.2%
Advisory and transaction fees, net	155	66	89	134.8
Investment income (loss)	452	701	(249)	(35.5)
Incentive fees	15	6	9	150.0
	1,036	1,109	(73)	(6.6)
Retirement Services				
Premiums	96	2,110	(2,014)	(95.5)
Product charges	198	166	32	19.3
Net investment income	2,612	1,731	881	50.9
Investment related gains (losses)	1,065	(4,230)	5,295	NM
Revenues of consolidated variable interest entities	281	(21)	302	NM
Other revenues	13	(3)	16	NM
	4,265	(247)	4,512	NM
Total Revenues	5,301	862	4,439	NM
Expenses				
Asset Management				
Compensation and benefits:				
Salary, bonus and benefits	255	218	37	17.0
Equity-based compensation	124	156	(32)	(20.5)
Profit sharing expense	291	360	(69)	(19.2)
Total compensation and benefits	670	734	(64)	(8.7)
Interest expense	31	32	(1)	(3.1)
General, administrative and other	197	148	49	33.1
	898	914	(16)	(1.8)
Retirement Services				
Interest sensitive contract benefits	1,289	(99)	1,388	NM
Future policy and other policy benefits	466	2,184	(1,718)	(78.7)
Market risk benefits remeasurement (gains) losses	346	(622)	968	NM
Amortization of deferred acquisition costs, deferred sales inducements and value of business acquired	138	98	40	40.8
Policy and other operating expenses	437	309	128	41.4
	2,676	1,870	806	43.1
Total Expenses	3,574	2,784	790	28.4

	For the Three Months ended March 31,		Total Change	Percentage Change
	2023	2022		
	(In millions)			
Other income (loss) – Asset Management				
Net gains (losses) from investment activities	(2)	34	(36)	NM
Net gains (losses) from investment activities of consolidated variable interest entities	34	367	(333)	(90.7)
Other income (loss), net	32	(23)	55	NM
Total Other income (loss)	64	378	(314)	(83.1)
Income (loss) before income tax (provision) benefit	1,791	(1,544)	3,335	NM
Income tax (provision) benefit	(253)	485	(738)	NM
Net income (loss)	1,538	(1,059)	2,597	NM
Net (income) loss attributable to non-controlling interests	(528)	658	(1,186)	NM
Net income (loss) available to Apollo Global Management, Inc. common stockholders	\$ 1,010	\$ (401)	\$ 1,411	NM

Note: “NM” denotes not meaningful. Changes from negative to positive amounts and positive to negative amounts are not considered meaningful. Increases or decreases from zero and changes greater than 500% are also not considered meaningful.

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

In this section, references to 2023 refer to the three months ended March 31, 2023 and references to 2022 refer to the three months ended March 31, 2022.

Asset Management

Revenues

Revenues were \$1,036 million in 2023, a decrease of \$73 million from \$1,109 million in 2022, primarily driven by lower investment income (loss). Investment income decreased \$249 million in 2023 to \$452 million compared to \$701 million in 2022. The decrease in investment income of \$249 million in 2023 was driven by decreases in principal investment income and performance allocations of \$122 million and \$127 million, respectively.

The decrease in principal investment income in 2023 was driven by the depreciation in value of investments held by certain funds we manage in which the Company has a direct interest, as a result of the equity market volatility in 2023.

Significant drivers for performance allocations in 2022 were performance allocations earned from Fund IX of \$470 million, primarily as a result of fund appreciation and realization activity, partially offset by performance allocation losses from Fund VIII of \$77 million, as a result of fund depreciation as a result of the equity market volatility in 2022. Significant drivers for performance allocations in 2023 were performance allocations primarily earned from Fund IX of \$330 million, partially offset by performance allocation losses from Fund VIII of \$51 million, as a result of continued equity market volatility in 2023.

See below for details on the respective funds’ performance allocations in 2023.

The performance allocations earned from Fund IX in 2023 were primarily driven by appreciation of the fund’s investments in the leisure and media, telecom and technology sectors.

The performance allocation losses from Fund VIII in 2023 were primarily driven by depreciation and realization of the fund’s investments in the consumer services, media, telecom and technology and leisure sectors.

The decrease in investment income in 2023 was offset, in part, by increases in advisory and transaction fees, net and management fees of \$89 million and \$78 million, respectively. Advisory and transaction fees increased by \$89 million to \$155 million in 2023 from \$66 million in 2022. Advisory and transaction fees earned during 2023 were primarily attributable to advisory and transaction fees earned from companies in the financial services, business services and consumer services sectors. Management fees increased by \$78 million to \$414 million in 2023 from \$336 million in 2022 due to increases in management fees earned from ADREF and ADCF and MidCap Financial of \$24 million and \$13 million, respectively. The increases in management fees earned from ADREF and ADCF and MidCap Financial were driven by the management fee contribution from

the Griffin Capital U.S. asset management business and higher fee-generating AUM, respectively. Management fees also benefitted from the net impact of the commencement of Fund X's fees and the fee basis step-down of Fund IX from committed to remaining invested capital, which added net fees of \$15 million, inclusive of Fund X catch-up fees of \$3 million.

Expenses

Expenses were \$898 million in 2023, a decrease of \$16 million from \$914 million in 2022 due to a decrease in profit sharing expense of \$69 million, resulting from the corresponding lower investment income during 2023. In any period, the blended profit sharing percentage is impacted by the respective profit sharing ratios of the funds generating performance allocations in the period. Additionally, there was a decrease in equity-based compensation expense of \$32 million, offset by an increase in salary, bonus and benefits of \$37 million due to accelerated headcount growth. Equity-based compensation expense, in any given period, is generally comprised of: i) performance grants which are tied to the Company's receipt of performance fees, within prescribed periods and are typically recognized on an accelerated recognition method over the requisite service period to the extent the performance revenue metrics are met or deemed probable, and ii) the impact of the 2021 one-time grants awarded to the Co-Presidents, all of which vest on a cliff basis subject to continued employment over five years, and a portion of which also vest on the Company's achievement of FRE and SRE per share metrics.

General, administrative and other expenses were \$197 million in 2023, an increase of \$49 million from \$148 million in 2022. The increase in 2023 was primarily driven by increases in amortization expense from the Company's commitment asset and other intangible assets, higher occupancy costs, and higher travel and entertainment expenses corresponding with the Company's increased headcount.

Other Income (Loss)

Other income (loss) was \$64 million in 2023, a decrease of \$314 million from \$378 million in 2022. This decrease was primarily driven by a decrease in net gains from investment activities of consolidated VIEs of \$333 million. The net gains from investment activities of consolidated VIEs in 2022 were primarily attributable to income earned from the Company's deconsolidated VIEs in 2022. Other income in 2023 was primarily attributable to net gains from consolidated VIEs and interest income earned on the Company's money market funds and U.S. treasury securities, as a result of the rising interest rate environment.

Retirement Services

Revenues

Retirement Services revenues were \$4.3 billion in 2023, an increase of \$4.5 billion from \$(247) million in 2022. The increase was primarily driven by an increase in investment related gains (losses), an increase in net investment income and an increase in revenues of consolidated VIEs, partially offset by a decrease in premiums.

Investment related gains (losses) were \$1.1 billion in 2023, an increase of \$5.3 billion from \$(4.2) billion in 2022 primarily due to the changes in the fair value of reinsurance assets, FIA hedging derivatives, mortgage loans and trading securities, realized gains on AFS securities compared to realized losses in the prior year and a decrease in the provision for credit losses, partially offset by foreign exchange losses on derivatives. The change in fair value of reinsurance assets increased \$3.1 billion, the change in fair value of mortgage loans increased \$1.1 billion and the change in fair value of trading securities increased \$285 million primarily driven by a decrease in U.S. Treasury rates and credit spread tightening in the current year compared to a significant increase in U.S. Treasury rates and credit spread widening in the prior year. The change in fair value of FIA hedging derivatives increased \$1.1 billion primarily driven by the favorable performance of the indices upon which Athene's call options are based. The largest percentage of Athene's call options are based on the S&P 500 index, which increased 7.0% in 2023, compared to a decrease of 4.9% in 2022. The favorable change in realized gains and losses on AFS securities of \$386 million was primarily related to foreign exchange impacts as foreign currencies strengthened against the U.S. dollar in comparison to the prior year. The favorable change in the provision for credit losses of \$126 million was primarily due to unfavorable economics in the prior year, including impacts from the conflict between Russia and Ukraine and exposure to China's real estate market. The increase in foreign exchange losses on derivatives reflects foreign currencies having strengthened against the U.S. dollar in comparison to the prior year.

Net investment income was \$2.6 billion in 2023, an increase of \$881 million from \$1.7 billion in 2022, primarily driven by growth in Athene's investment portfolio attributed to strong net flows during the previous twelve months as well as higher

floating rate income and higher new money rates related to higher short-term interest rates. These increases were partially offset by a decrease in alternative income due to less favorable alternative investment performance, the transfer, beginning in the second quarter of 2022, of a significant portion of Athene's alternative investments to AAA, a consolidated VIE, and higher investment management fees driven by the strong growth in Athene's investment portfolio.

Revenues of consolidated VIEs were \$281 million in 2023, an increase of \$302 million from \$(21) million in 2022, primarily driven by unrealized gains on assets transferred to AAA beginning in the second quarter of 2022 as well as a favorable change in the fair value of mortgage loans held in VIEs related to a decrease in U.S. Treasury rates compared to an increase in the prior year.

Premiums were \$96 million in 2023, a decrease of \$2.0 billion from \$2.1 billion in 2022, primarily driven by a \$1.9 billion decrease in pension group annuity premiums compared to the prior year.

Expenses

Retirement Services expenses were \$2.7 billion in 2023, an increase of \$806 million from \$1.9 billion in 2022. The increase was primarily driven by an increase in interest sensitive contract benefits, an increase in market risk benefits remeasurement (gains) losses and an increase in policy and other operating expenses, partially offset by a decrease in future policy and other policy benefits.

Interest sensitive contract benefits were \$1.3 billion in 2023, an increase of \$1.4 billion from \$(99) million in 2022, primarily driven by an increase in the change in FIA fair value embedded derivatives of \$1.5 billion, an increase in rates on deferred annuity issuances and existing floating rate funding agreements driven by the increase in U.S. Treasury rates and growth in the block of business. The change in the FIA fair value embedded derivatives was primarily due to the performance of the equity indices to which Athene's FIA policies are linked. The largest percentage of its FIA policies are linked to the S&P 500 index, which increased 7.0% in 2023, compared to a decrease of 4.9% in 2022. The change in the FIA fair value embedded derivatives was also driven by the unfavorable change in discount rates used in Athene's embedded derivative calculations as the current year experienced a decrease in discount rates compared to an increase in discount rates in the prior year, partially offset by the impact of rates on policyholder projected benefits.

Market risk benefits remeasurement (gains) losses were \$346 million in 2023, an increase of \$968 million from \$(622) million in 2022, primarily driven by the unfavorable change in the fair value of market risk benefits. The change in fair value of market risk benefits increased \$984 million compared to the prior year due to a decrease in the risk-free rate in the outer years of the curve. This was partially offset by a decrease of \$73 million related to favorable equity market performance.

Policy and other operating expenses were \$437 million in 2023, an increase of \$128 million from \$309 million in 2022, primarily driven by an increase in interest expense related to floating rate long-term repurchase agreements, as rates increased throughout the prior year, the increase in issuances of short-term repurchase agreements during the current quarter and the issuance of debt in the fourth quarter of the prior year, as well as an increase in general operating expenses related to growth in the business.

Future policy and other policy benefits were \$466 million in 2023, a decrease of \$1.7 billion from \$2.2 billion in 2022, primarily driven by a \$1.9 billion decrease in pension group annuity obligations, partially offset by an increase in the AmerUs Closed Block fair value liability. The change in the AmerUs Closed Block fair value liability was primarily due to unrealized gains on the underlying investments reflecting a decrease in U.S. Treasury rates and credit spreads tightening in the current year compared to an increase in U.S. Treasury rates and credit spreads widening in the prior year.

Income Tax (Provision) Benefit

The Company's income tax (provision) benefit totaled \$(253) million and \$485 million in 2023 and 2022, respectively. The change to the provision was primarily related to the increase in pre-tax income and a one-time deferred tax benefit recognized in 2022 due to the Mergers. The provision for income taxes includes federal, state, local and foreign income taxes resulting in an effective income tax rate of 14.1% and 31.4% for 2023 and 2022, respectively. The most significant reconciling items between the U.S. federal statutory income tax rate and the effective income tax rate were due to the following: (i) a benefit realized from the derecognition of a deferred tax liability related to the Company's historical holdings in Athene, (ii) foreign, state and local income taxes, including NYC UBT, (iii) income attributable to non-controlling interests and (iv) equity-based

compensation net of the limiting provisions for executive compensation under IRC Section 162(m) (see note 12 to the condensed consolidated financial statements for further details regarding the Company's income tax provision).

Managing Business Performance - Key Segment and Non-U.S. GAAP Performance Measures

We believe that the presentation of Segment Income supplements a reader's understanding of the economic operating performance of each of our segments.

Segment Income and Adjusted Net Income

Segment Income is the key performance measure used by management in evaluating the performance of the Asset Management, Retirement Services, and Principal Investing segments. See note 19 to the condensed consolidated financial statements for more details regarding the components of Segment Income and management's consideration of Segment Income.

We believe that Segment Income is helpful for an understanding of our business and that investors should review the same supplemental financial measure that management uses to analyze our segment performance. This measure supplements and should be considered in addition to and not in lieu of the results of operations discussed above in "—Overview of Results of Operations" that have been prepared in accordance with U.S. GAAP.

Adjusted Net Income ("ANI") represents Segment Income less HoldCo interest and other financing costs and estimated income taxes. For purposes of calculating the Adjusted Net Income tax rate, Segment Income is reduced by HoldCo interest and financing costs. Income taxes on FRE and PII represents the total current corporate, local, and non-U.S. taxes as well as the current payable under Apollo's tax receivable agreement. Income taxes on FRE and PII excludes the impacts of deferred taxes and the remeasurement of the tax receivable agreement, which arise from changes in estimated future tax rates. Certain assumptions and methodologies that impact the implied FRE and PII income tax provision are similar to those used under U.S. GAAP. Specifically, certain deductions considered in the income tax provision under U.S. GAAP relating to transaction related charges, equity-based compensation, and tax deductible interest expense are taken into account for the implied tax provision. Income Taxes on SRE represent the total current and deferred tax expense or benefit on income before taxes adjusted to eliminate the impact of the tax expense or benefit associated with the non-operating adjustments. Management believes the methodologies used to compute income taxes on FRE, SRE, and PII are meaningful to each segment and increases comparability of income taxes between periods.

Fee Related Earnings, Spread Related Earnings and Principal Investing Income

Fee Related Earnings, or "FRE", is a component of Segment Income that is used as a supplemental performance measure to assess the performance of the Asset Management segment.

Spread Related Earnings, or "SRE", is a component of Segment Income that is used as a supplemental performance measure to assess the performance of the Retirement Services segment, excluding certain market volatility and certain expenses related to integration, restructuring, equity-based compensation, and other expenses.

Principal Investing Income, or "PII", is a component of Segment Income that is used as a supplemental performance measure to assess the performance of the Principal Investing segment.

See note 19 to the condensed consolidated financial statements for more details regarding the components of FRE, SRE, and PII.

We use Segment Income, ANI, FRE, SRE and PII as measures of operating performance, not as measures of liquidity. These measures should not be considered in isolation or as a substitute for net income or other income data prepared in accordance with U.S. GAAP. The use of these measures without consideration of their related U.S. GAAP measures is not adequate due to the adjustments described above.

Net Invested Assets

In managing its business, Athene analyzes net invested assets, which does not correspond to total Athene investments, including investments in related parties, as disclosed in the condensed consolidated statements of financial condition and notes thereto. Net invested assets represent the investments that directly back its net reserve liabilities as well as surplus assets. Net invested

assets is used in the computation of net investment earned rate, which is used to analyze the profitability of Athene's investment portfolio. Net invested assets includes (a) total investments on the condensed consolidated statements of financial condition with AFS securities at cost or amortized cost, excluding derivatives, (b) cash and cash equivalents and restricted cash, (c) investments in related parties, (d) accrued investment income, (e) VIE and VOE assets, liabilities and non-controlling interest adjustments, (f) net investment payables and receivables, (g) policy loans ceded (which offset the direct policy loans in total investments) and (h) an adjustment for the allowance for credit losses. Net invested assets excludes assets associated with funds withheld liabilities related to business exited through reinsurance agreements and derivative collateral (offsetting the related cash positions). Athene includes the underlying investments supporting its assumed funds withheld and modco agreements in its net invested assets calculation in order to match the assets with the income received. Athene believes the adjustments for reinsurance provide a view of the assets for which it has economic exposure. Net invested assets includes Athene's proportionate share of ACRA investments, based on its economic ownership, but does not include the proportionate share of investments associated with the non-controlling interest. Net invested assets are averaged over the number of quarters in the relevant period to compute a net investment earned rate for such period. While Athene believes net invested assets is a meaningful financial metric and enhances the understanding of the underlying drivers of its investment portfolio, it should not be used as a substitute for Athene's total investments, including related parties, presented under U.S. GAAP.

Segment Analysis

Discussed below are our results of operations for each of our reportable segments. They represent the segment information available and utilized by management to assess performance and to allocate resources. See note 19 to our condensed consolidated financial statements for more information regarding our segment reporting.

Asset Management

The following table presents Fee Related Earnings, the performance measure of our Asset Management segment.

	Three months ended March 31,		Total Change	Percentage Change
	2023	2022		
	(In millions)			
Asset Management:				
Management fees - Yield	\$ 379	\$ 333	\$ 46	13.8%
Management fees - Hybrid	57	48	9	18.8
Management fees - Equity	141	124	17	13.7
Management fees	577	505	72	14.3
Capital solutions fees and other, net	138	64	74	115.6
Fee-related performance fees	27	14	13	92.9
Fee-related compensation	(211)	(175)	36	20.6
Other operating expenses	(134)	(98)	36	36.7
Fee Related Earnings (FRE)	\$ 397	\$ 310	\$ 87	28.1%

In this section, references to 2023 refer to the three months ended March 31, 2023 and references to 2022 refer to the three months ended March 31, 2022.

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

FRE was \$397 million in 2023, an increase of \$87 million compared to \$310 million in 2022. This increase was primarily attributable to increases in capital solutions fees and other, net and management fees. Capital solutions fees earned in 2023 were primarily attributable to fees earned from companies in the financial services, business services and consumer services sectors.

The increase in management fees was primarily attributable to management fees earned from Athene and ADREF and ADCF of \$23 million and \$19 million, respectively. The increases in management fees earned from Athene and ADREF and ADCF were driven by higher fee-generating AUM as a result of growth in Retirement Services clients and the management fee contribution from the Griffin Capital U.S. asset management business, respectively. Management fees also benefitted from the net impact of the commencement of Fund X's fees and the fee basis step-down of Fund IX from committed to remaining invested capital, which added net fees of \$15 million, inclusive of Fund X catch-up fees of \$3 million.

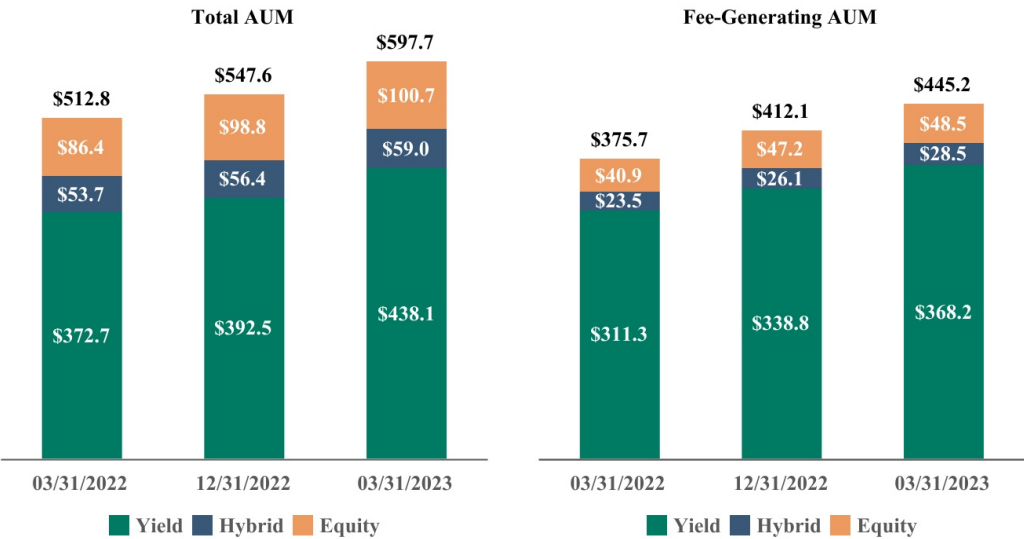
The growth in revenues was offset, in part, by increases in fee-related compensation expense associated with the re-basing of cost structure to support the Company’s next phase of growth, as well as costs associated with the acquisition of Griffin Capital’s U.S. asset management business.

Asset Management Operating Metrics

We monitor certain operating metrics that are common to the alternative asset management industry and directly impact the performance of our Asset Management segment. These operating metrics include Assets Under Management, gross capital deployment and uncalled commitments.

Assets Under Management

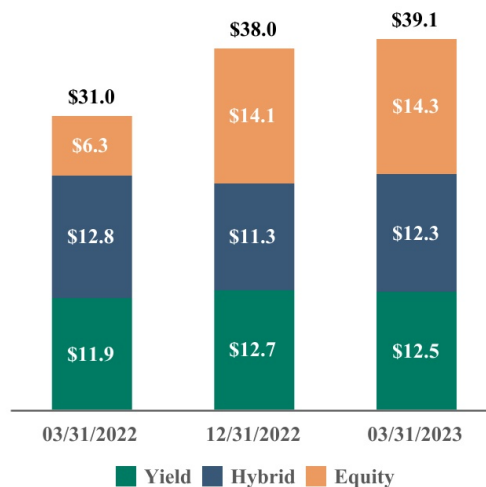
The following presents Apollo’s Total AUM and Fee-Generating AUM by investing strategy (in billions):



Note: Totals may not add due to rounding.

The following presents Apollo's AUM with Future Management Fee Potential by investing strategy (in billions):

AUM with Future Management Fee Potential



Note: Totals may not add due to rounding

The following tables present the components of Performance Fee-Eligible AUM for each of Apollo's three investing strategies within the Asset Management segment:

As of March 31, 2023				
	Yield	Hybrid	Equity	Total
<i>(In millions)</i>				
Performance Fee-Generating AUM ¹	\$ 48,732	\$ 22,254	\$ 43,105	\$ 114,091
AUM Not Currently Generating Performance Fees	7,151	8,251	3,844	19,246
Uninvested Performance Fee-Eligible AUM	6,441	13,214	30,508	50,163
Total Performance Fee-Eligible AUM	<u>\$ 62,324</u>	<u>\$ 43,719</u>	<u>\$ 77,457</u>	<u>\$ 183,500</u>

As of March 31, 2022				
	Yield	Hybrid	Equity	Total
<i>(In millions)</i>				
Performance Fee-Generating AUM ¹	\$ 37,000	\$ 18,187	\$ 41,482	\$ 96,669
AUM Not Currently Generating Performance Fees	7,637	6,250	4,231	18,118
Uninvested Performance Fee-Eligible AUM	4,396	14,896	18,711	38,003
Total Performance Fee-Eligible AUM	<u>\$ 49,033</u>	<u>\$ 39,333</u>	<u>\$ 64,424</u>	<u>\$ 152,790</u>

As of December 31, 2022				
	Yield	Hybrid	Equity	Total
<i>(In millions)</i>				
Performance Fee-Generating AUM ¹	\$ 40,169	\$ 12,177	\$ 42,126	\$ 94,472
AUM Not Currently Generating Performance Fees	15,912	17,777	3,166	36,855
Uninvested Performance Fee-Eligible AUM	4,628	12,839	30,836	48,303
Total Performance Fee-Eligible AUM	<u>\$ 60,709</u>	<u>\$ 42,793</u>	<u>\$ 76,128</u>	<u>\$ 179,630</u>

¹ Performance Fee-Generating AUM of \$4.2 billion, \$5.2 billion and \$3.9 billion as of March 31, 2023, March 31, 2022 and December 31, 2022, respectively, are above the hurdle rates or preferred returns and have been deferred to future periods when the fees are probable to not be significantly reversed.

The components of Fee-Generating AUM by investing strategy are presented below:

As of March 31, 2023				
	Yield	Hybrid	Equity	Total
<i>(In millions)</i>				
Fee-Generating AUM based on capital commitments	\$ —	\$ 2,531	\$ 20,641	\$ 23,172
Fee-Generating AUM based on invested capital	3,350	10,277	26,701	40,328
Fee-Generating AUM based on gross/adjusted assets	322,465	4,829	596	327,890
Fee-Generating AUM based on NAV	42,422	10,844	551	53,817
Total Fee-Generating AUM	<u>\$ 368,237</u>	<u>\$ 28,481</u>	<u>\$ 48,489</u>	<u>\$ 445,207</u>

¹ The weighted average remaining life of the traditional private equity funds as of March 31, 2023 was 74 months.

As of March 31, 2022				
	Yield	Hybrid	Equity	Total
<i>(In millions)</i>				
Fee-Generating AUM based on capital commitments	\$ —	\$ 3,580	\$ 27,348	\$ 30,928
Fee-Generating AUM based on invested capital	2,448	7,533	12,790	22,771
Fee-Generating AUM based on gross/adjusted assets	275,373	4,913	546	280,832
Fee-Generating AUM based on NAV	33,497	7,475	216	41,188
Total Fee-Generating AUM	<u>\$ 311,318</u>	<u>\$ 23,501</u>	<u>\$ 40,900</u>	<u>\$ 375,719</u>

¹ The weighted average remaining life of the traditional private equity funds at March 31, 2022 was 62 months.

As of December 31, 2022				
	Yield	Hybrid	Equity	Total
<i>(In millions)</i>				
Fee-Generating AUM based on capital commitments	\$ —	\$ 2,531	\$ 19,434	\$ 21,965
Fee-Generating AUM based on invested capital	3,381	9,528	26,695	39,604
Fee-Generating AUM based on gross/adjusted assets	293,240	4,827	593	298,660
Fee-Generating AUM based on NAV	42,200	9,227	431	51,858
Total Fee-Generating AUM	<u>\$ 338,821</u>	<u>\$ 26,113</u>	<u>\$ 47,153</u>	<u>\$ 412,087</u>

¹ The weighted average remaining life of the traditional private equity funds as of December 31, 2022 was 76 months.

Apollo, through its consolidated subsidiary, ISG, provides asset management services to Athene with respect to assets in the accounts owned by or related to Athene (“Athene Accounts”), including asset allocation services, direct asset management services, asset and liability matching management, mergers and acquisitions, asset diligence, hedging and other asset management services and receives management fees for providing these services. The Company, through ISG, also provides sub-allocation services with respect to a portion of the assets in the Athene Accounts. Apollo, through its asset management business, managed or advised \$247.8 billion, \$236.0 billion and \$217.6 billion of AUM on behalf of Athene as of March 31, 2023, December 31, 2022 and March 31, 2022, respectively.

Apollo, through ISGI, provides investment advisory services with respect to certain assets in certain portfolio companies of Apollo funds and sub-advises the Athora Accounts and broadly refers to “Athora Sub-Advised” assets as those assets in the

Athora Accounts which the Company explicitly sub-advises as well as those assets in the Athora Accounts which are invested directly in funds and investment vehicles Apollo manages. The Company refers to the portion of the Athora AUM that is not Athora Sub-Advised AUM as “Athora Non-Sub Advised” AUM. See note 17 to the condensed consolidated financial statements for more details regarding the fee arrangements with respect to the assets in the Athora Accounts. Apollo managed or advised \$51.1 billion, \$52.6 billion and \$54.8 billion of AUM on behalf of Athora as of March 31, 2023, December 31, 2022 and March 31, 2022, respectively.

The following tables summarize changes in total AUM for each of Apollo’s three investing strategies within the Asset Management segment:

Three months ended March 31,									
2023					2022				
	Yield	Hybrid	Equity	Total	Yield	Hybrid	Equity	Total	
(in millions)									
Change in Total AUM ¹ :									
Beginning of Period	\$ 392,466	\$ 56,410	\$ 98,771	\$ 547,647	\$ 360,289	\$ 52,772	\$ 84,491	\$ 497,552	
Inflows	51,071	3,158	2,540	56,769	26,859	2,439	1,359	30,657	
Outflows ²	(7,465)	(1,026)	(302)	(8,793)	(9,547)	(453)	—	(10,000)	
Net Flows	43,606	2,132	2,238	47,976	17,312	1,986	1,359	20,657	
Realizations	(1,184)	(659)	(1,486)	(3,329)	(626)	(1,640)	(2,246)	(4,512)	
Market Activity ³	3,182	1,072	1,181	5,435	(4,279)	622	2,803	(854)	
End of Period	<u>\$ 438,070</u>	<u>\$ 58,955</u>	<u>\$ 100,704</u>	<u>\$ 597,729</u>	<u>\$ 372,696</u>	<u>\$ 53,740</u>	<u>\$ 86,407</u>	<u>\$ 512,843</u>	

¹ At the individual strategy level, inflows include new subscriptions, commitments, capital raised, other increases in available capital, purchases, acquisitions and portfolio company appreciation. Outflows represent redemptions, other decreases in available capital and portfolio company depreciation. Realizations represent fund distributions of realized proceeds. Market activity represents gains (losses), the impact of foreign exchange rate fluctuations and other income.

² Outflows for Total AUM include redemptions of \$2.3 billion and \$0.6 billion during the three months ended March 31, 2023 and 2022, respectively.

³ Includes foreign exchange impacts of \$1.0 billion and \$(2.5) billion during the three months ended March 31, 2023 and 2022, respectively.

Three Months Ended March 31, 2023

Total AUM was \$597.7 billion at March 31, 2023, an increase of \$50.1 billion, or 9.1%, compared to \$547.6 billion at December 31, 2022. The net increase was primarily driven by Atlas, growth of our retirement services assets, and subscriptions across the platform; partially offset by distributions. More specifically, the net increase was due to:

- Net flows of \$48.0 billion primarily attributable to:
 - a \$43.6 billion increase related to funds we manage in our yield strategy primarily consisting of (i) \$36.9 billion related to Atlas, (ii) \$7.1 billion related to the growth of our retirement services clients, and (iii) \$1.8 billion of subscriptions mostly related to the corporate credit funds we manage; partially offsetting these increases were \$(2.1) billion of redemptions primarily in the corporate credit funds we manage;
 - a \$2.1 billion increase related to funds we manage in our hybrid strategy due to \$2.4 billion of fundraising primarily across the financial credit instruments funds we manage; and
 - a \$2.2 billion increase related to funds we manage in our equity strategy primarily consisting of \$2.5 billion of fundraising primarily related to the traditional private equity funds we manage.
- Realizations of \$(3.3) billion primarily attributable to:
 - \$(1.2) billion related to funds we manage in our yield strategy primarily consisting of \$0.7 billion related to Athora;
 - \$(0.7) billion related to funds we manage in our hybrid strategy primarily consisting of distributions from the hybrid value funds we manage; and
 - \$(1.5) billion related to funds we manage in our equity strategy primarily consisting of distributions across the traditional private equity funds we manage.
- Market activity of \$5.4 billion primarily attributable to:
 - \$3.2 billion related to funds we manage in our yield strategy primarily consisting of \$3.0 billion related to our retirement services clients and \$1.0 billion related to the corporate credit funds we manage; offset by \$(1.4) billion driven by Athora;
 - \$1.1 billion related to funds we manage in our hybrid strategy related to the hybrid credit funds we manage; and

- \$1.2 billion related to funds we manage in our equity strategy related to the traditional private equity funds we manage.

The following tables summarize changes in Fee-Generating AUM for each of Apollo's three investing strategies within the Asset Management segment:

	Three months ended March 31,							
	2023				2022			
	Yield	Hybrid	Equity	Total	Yield	Hybrid	Equity	Total
	(in millions)							
Change in Fee-Generating AUM ¹ :								
Beginning of Period	\$ 338,821	\$ 26,113	\$ 47,153	\$ 412,087	\$ 307,306	\$ 21,845	\$ 39,950	\$ 369,101
Inflows	34,774	2,289	1,762	38,825	16,453	2,510	1,309	20,272
Outflows ²	(8,208)	(261)	(89)	(8,558)	(8,773)	(299)	(70)	(9,142)
Net Flows	26,566	2,028	1,673	30,267	7,680	2,211	1,239	11,130
Realizations	(387)	(156)	(316)	(859)	(309)	(582)	(263)	(1,154)
Market Activity ³	3,237	496	(21)	3,712	(3,359)	27	(26)	(3,358)
End of Period	\$ 368,237	\$ 28,481	\$ 48,489	\$ 445,207	\$ 311,318	\$ 23,501	\$ 40,900	\$ 375,719

¹ At the individual strategy level, inflows include new subscriptions, commitments, capital raised, other increases in available capital, purchases, acquisitions and portfolio company appreciation. Outflows represent redemptions, other decreases in available capital and portfolio company depreciation. Realizations represent fund distributions of realized proceeds. Market activity represents gains (losses), the impact of foreign exchange rate fluctuations and other income.

² Outflows for Fee-Generating AUM include redemptions of \$2.2 billion and \$0.4 billion during the three months ended March 31, 2023 and 2022, respectively.

³ Includes foreign exchange impacts of \$0.7 billion and \$(1.9) billion during the three months ended March 31, 2023 and 2022, respectively.

Three Months Ended March 31, 2023

Total Fee-Generating AUM was \$445.2 billion at March 31, 2023, an increase of \$33.1 billion, or 8.0%, compared to \$412.1 billion at December 31, 2022. The net increase was primarily driven by Atlas, growth of our retirement services client assets, deployment and fee commencement, and fundraising. More specifically, the net increase was due to:

- Net flows of \$30.3 billion primarily attributable to:
 - a \$26.6 billion increase related to funds we manage in our yield strategy primarily consisting of (i) \$20.0 billion related to Atlas, (ii) a \$7.1 billion increase in AUM related to the growth of our retirement services clients, (iii) \$0.9 billion of fee-generating capital deployment primarily related to the corporate credit funds we manage, and (iv) \$1.0 billion of subscriptions primarily related to the corporate credit funds we manage; partially offset by \$(2.1) billion of redemptions mostly related to the corporate credit funds we manage and \$(0.6) billion of net transfers;
 - a \$2.0 billion increase related to funds we manage in our hybrid strategy primarily due to (i) \$1.3 billion of fee-generating capital deployment across the hybrid credit and hybrid value funds we manage, (ii) \$0.6 billion of transfers from the yield strategy, and (iii) \$0.4 billion of subscriptions; and
 - a \$1.7 billion increase related to funds we manage in our equity strategy primarily related to (i) \$0.5 billion of fee-generating capital deployment and (ii) \$1.3 billion of fundraising.
- Market Activity of \$3.7 billion primarily attributable to funds we manage in our yield strategy, consisting of \$3.0 billion related to our retirement services clients, partially offset by \$(1.1) billion related to Athora.
- Realizations of \$(0.9) billion across the yield, hybrid and equity strategies.

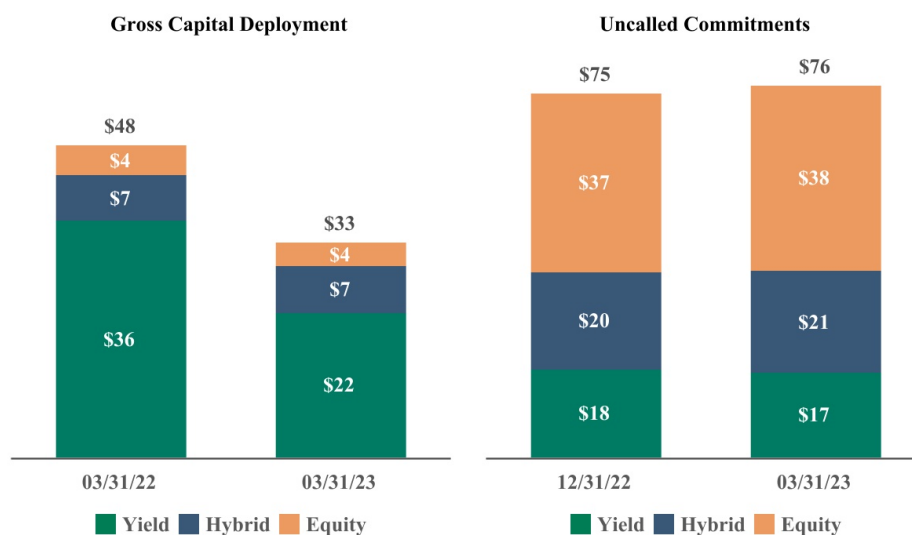
Gross Capital Deployment and Uncalled Commitments

Gross capital deployment represents the gross capital that has been invested by the funds and accounts we manage during the relevant period, but excludes certain investment activities primarily related to hedging and cash management functions at the Company. Gross Capital Deployment is not reduced or netted down by sales or refinancings, and takes into account leverage used by the funds and accounts we manage in gaining exposure to the various investments that they have made.

Uncalled commitments, by contrast, represent unfunded capital commitments that certain of the funds we manage have received from fund investors to fund future or current fund investments and expenses.

Gross capital deployment and uncalled commitments are indicative of the pace and magnitude of fund capital that is deployed or will be deployed, and which therefore could result in future revenues that include management fees, transaction fees and performance fees to the extent they are fee-generating. Gross capital deployment and uncalled commitments can also give rise to future costs that are related to the hiring of additional resources to manage and account for the additional capital that is deployed or will be deployed. Management uses gross capital deployment and uncalled commitments as key operating metrics since we believe the results are measures of investment activities of the funds we manage.

The following presents gross capital deployment and uncalled commitments (in billions):



As of March 31, 2023 and December 31, 2022, Apollo had \$52 billion and \$51 billion of dry powder, respectively, which represents the amount of capital available for investment or reinvestment subject to the provisions of the applicable limited partnership agreements or other governing agreements of the funds, partnerships and accounts we manage. These amounts exclude uncalled commitments which can only be called for fund fees and expenses and commitments from perpetual capital vehicles.

Retirement Services

The following table presents Spread Related Earnings, the performance measure of our Retirement Services segment.

	Three months ended March 31,		Total Change	Percentage Change
	2023	2022		
(In millions)				
Retirement Services:				
Fixed income and other investment income, net	\$ 1,957	\$ 1,207	\$ 750	62%
Alternative investment income, net	185	448	(263)	(59)
Net investment earnings	2,142	1,655	487	29
Strategic capital management fees	14	12	2	17
Cost of funds	(1,235)	(822)	413	50
Net investment spread	921	845	76	9
Other operating expenses	(124)	(109)	15	14
Interest and other financing costs	(109)	(62)	47	76
Spread Related Earnings (SRE)	\$ 688	\$ 674	\$ 14	2

In this section, references to 2023 refer to the three months ended March 31, 2023 and references to 2022 refer to the three months ended March 31, 2022.

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

Spread Related Earnings

SRE was \$688 million in 2023, an increase of \$14 million, or 2%, compared to \$674 million in 2022. The increase in SRE was driven by higher net investment earnings, largely offset by higher cost of funds and interest and other financing costs. Net investment earnings increased \$487 million primarily driven by higher floating rate income, \$20.2 billion of growth in Athene's average net invested assets and higher new money rates, partially offset by less favorable alternative investment performance, primarily related to real estate funds and Challenger Life Company Limited (Challenger), compared to the prior year. Cost of funds increased \$413 million primarily driven by higher rates on deferred annuity, funding agreement and pension group annuity issuances as well as an increase in rates on existing floating rate funding agreements and growth in the block of business. Interest and other financing costs increased \$47 million due to the increase in issuances of short term repurchase agreements during the quarter, as well as interest expense and preferred stock dividends related to Athene's debt and preferred stock issuances in the fourth quarter of the prior year.

Net Investment Spread

	Three months ended March 31,		Change
	2023	2022	
Fixed income and other net investment earned rate	4.13 %	2.83 %	130bps
Alternative net investment earned rate	6.12 %	16.61 %	NM
Net investment earned rate	4.25 %	3.65 %	60bps
Strategic capital management fees	0.03 %	0.03 %	0bps
Cost of funds	(2.45)%	(1.81)%	64bps
Net investment spread	1.83 %	1.87 %	(4)bps

Net investment spread was 1.83% in 2023, a decrease of 4 basis points compared to 1.87% in 2022, driven by higher cost of funds, partially offset by a higher net investment earned rate.

Net investment earned rate was 4.25% in 2023, an increase of 60 basis points compared to 3.65% in 2022, primarily due to higher returns in Athene's fixed income portfolio, partially offset by less favorable performance in its alternative investment portfolio. Fixed income and other net investment earned rate was 4.13% in 2023, an increase from 2.83% in 2022, primarily driven by higher floating rate income and higher new money rates. Alternative net investment earned rate was 6.12% in 2023, a

decrease from 16.61% in 2022, primarily driven by lower returns on real estate funds related to lower home price appreciation in comparison to the prior year as well as a decrease in share price on Athene's investment in Challenger.

Cost of funds was 2.45% in 2023, an increase of 64 basis points compared to 1.81% in 2022, primarily driven by higher rates on deferred annuity, funding agreement and pension group annuity issuances as well as an increase in rates on existing floating rate funding agreements.

Investment Portfolio

Athene had investments, including related parties and VIEs, of \$219.4 billion and \$212.1 billion as of March 31, 2023 and December 31, 2022, respectively. Athene's investment strategy seeks to achieve sustainable risk-adjusted returns through the disciplined management of its investment portfolio against its long-duration liabilities, coupled with the diversification of risk. The investment strategies focus primarily on a buy and hold asset allocation strategy that may be adjusted periodically in response to changing market conditions and the nature of Athene's liability profile. Athene takes advantage of its generally persistent liability profile by identifying investment opportunities with an emphasis on earning incremental yield by taking liquidity and complexity risk rather than assuming incremental credit risk. Athene has selected a diverse array of primarily high-grade fixed income assets, including corporate bonds, structured securities and commercial and residential real estate loans, among others. Athene also maintains holdings in floating rate and less rate-sensitive instruments, including CLOs, non-agency RMBS and various types of structured products. In addition to its fixed income portfolio, Athene opportunistically allocates approximately 5% to 6% of its portfolio to alternative investments where it primarily focuses on fixed income-like, cash flow-based investments.

The following table presents the carrying values of Athene's total investments, including related parties and VIEs:

<i>(In millions, except percentages)</i>	As of March 31, 2023		As of December 31, 2022	
	Carrying Value	Percent of Total	Carrying Value	Percent of Total
AFS securities, at fair value				
U.S. government and agencies	\$ 2,703	1.2 %	\$ 2,577	1.2 %
U.S. state, municipal and political subdivisions	966	0.4 %	927	0.4 %
Foreign governments	922	0.4 %	907	0.4 %
Corporate	63,141	28.8 %	60,901	28.7 %
CLO	17,566	8.0 %	16,493	7.8 %
ABS	10,873	5.0 %	10,527	5.0 %
CMBS	4,190	1.9 %	4,158	2.0 %
RMBS	6,352	2.9 %	5,914	2.8 %
Total AFS securities, at fair value	106,713	48.6 %	102,404	48.3 %
Trading securities, at fair value	1,652	0.8 %	1,595	0.8 %
Equity securities	1,368	0.6 %	1,487	0.7 %
Mortgage loans, at fair value	29,949	13.6 %	27,454	12.9 %
Investment funds	77	— %	79	— %
Policy loans	339	0.2 %	347	0.2 %
Funds withheld at interest	31,084	14.2 %	32,880	15.5 %
Derivative assets	3,956	1.8 %	3,309	1.6 %
Short-term investments	627	0.3 %	2,160	1.0 %
Other investments	701	0.3 %	773	0.4 %
Total investments	176,466	80.4 %	172,488	81.4 %
Investments in related parties				
AFS securities, at fair value				
Corporate	1,127	0.5 %	982	0.5 %
CLO	3,513	1.6 %	3,079	1.4 %
ABS	7,226	3.3 %	5,760	2.7 %
Total AFS securities, at fair value	11,866	5.4 %	9,821	4.6 %
Trading securities, at fair value	885	0.4 %	878	0.4 %
Equity securities, at fair value	251	0.1 %	279	0.1 %
Mortgage loans, at fair value	1,324	0.6 %	1,302	0.6 %
Investment funds	1,595	0.7 %	1,569	0.7 %
Funds withheld at interest	9,462	4.3 %	9,808	4.6 %

	As of March 31, 2023		As of December 31, 2022	
	Carrying Value	Percent of Total	Carrying Value	Percent of Total
(In millions, except percentages)				
Short-term investments	1,043	0.5 %	—	— %
Other investments	338	0.2 %	303	0.2 %
Total related party investments	26,764	12.2 %	23,960	11.2 %
Total investments, including related parties	203,230	92.6 %	196,448	92.6 %
Investments owned by consolidated VIEs				
Trading securities, at fair value	1,069	0.5 %	1,063	0.5 %
Mortgage loans, at fair value	2,119	1.0 %	2,055	1.0 %
Investment funds, at fair value	12,880	5.9 %	12,480	5.9 %
Other investments, at fair value	99	— %	101	— %
Total investments owned by consolidated VIEs	16,167	7.4 %	15,699	7.4 %
Total investments, including related parties and VIEs	\$ 219,397	100.0 %	\$ 212,147	100.0 %

The \$7.3 billion increase in Athene's total investments, including related parties and VIEs, as of March 31, 2023 compared to December 31, 2022 was primarily driven by growth from gross organic inflows of \$11.9 billion in excess of gross liability outflows of \$6.9 billion, unrealized gains on AFS securities in the three months ended March 31, 2023 of \$2.1 billion resulting from the decrease in U.S. Treasury rates and credit spread tightening in the current year and the reinvestment of earnings.

Athene's investment portfolio consists largely of high quality fixed maturity securities, loans and short-term investments, as well as additional opportunistic holdings in investment funds and other instruments, including equity holdings. Fixed maturity securities and loans include publicly issued corporate bonds, government and other sovereign bonds, privately placed corporate bonds and loans, mortgage loans, CMBS, RMBS, CLOs and ABS. A significant majority of Athene's AFS portfolio, 96.0% and 95.8% as of March 31, 2023 and December 31, 2022, respectively, was invested in assets considered investment grade with a NAIC designation of 1 or 2.

Athene invests a portion of its investment portfolio in mortgage loans, which are generally comprised of high quality commercial first lien and mezzanine real estate loans. Athene has acquired mortgage loans through acquisitions and reinsurance arrangements, as well as through an active program to invest in new mortgage loans. It invests in CMLs on income producing properties, including hotels, apartments, retail and office buildings, and other commercial and industrial properties. Athene's RML portfolio primarily consists of first lien RMLs collateralized by properties located in the U.S.

Funds withheld at interest represent a receivable for amounts contractually withheld by ceding companies in accordance with modco and funds withheld reinsurance agreements in which Athene acts as the reinsurer. Generally, assets equal to statutory reserves are withheld and legally owned by the ceding company.

While the substantial majority of Athene's investment portfolio has been allocated to corporate bonds and structured credit products, a key component of Athene's investment strategy is the opportunistic acquisition of investment funds with attractive risk and return profiles. Athene's investment fund portfolio consists of funds that employ various strategies, including equity, hybrid and yield funds. Athene has a strong preference for assets that have some or all of the following characteristics, among others: (1) investments that constitute a direct investment or an investment in a fund with a high degree of co-investment; (2) investments with credit- or debt-like characteristics (for example, a stipulated maturity and par value), or alternatively, investments with reduced volatility when compared to pure equity; or (3) investments that Athene believes have less downside risk.

Athene holds derivatives for economic hedging purposes to reduce its exposure to the cash flow variability of assets and liabilities, equity market risk, interest rate risk, credit risk and foreign exchange risk. Athene's primary use of derivative instruments relates to providing the income needed to fund the annual indexed credits on its FIA products. Athene primarily uses fixed indexed options to economically hedge indexed annuity products that guarantee the return of principal to the policyholder and credit interest based on a percentage of the gain in a specific market index.

Net Invested Assets

The following summarizes Athene's net invested assets:

	As of March 31, 2023		As of December 31, 2022	
	Net Invested Asset Value ¹	Percent of Total	Net Invested Asset Value ¹	Percent of Total
<i>(In millions, except percentages)</i>				
Corporate	\$ 80,701	39.0 %	\$ 80,800	41.1 %
CLO	20,563	9.9 %	19,881	10.1 %
Credit	101,264	48.9 %	100,681	51.2 %
CML	24,306	11.8 %	23,750	12.1 %
RML	12,306	6.0 %	11,147	5.7 %
RMBS	7,550	3.7 %	7,363	3.7 %
CMBS	4,463	2.2 %	4,495	2.3 %
Real estate	48,625	23.7 %	46,755	23.8 %
ABS	21,566	10.4 %	20,680	10.5 %
Alternative investments	12,103	5.9 %	12,079	6.1 %
State, municipal, political subdivisions and foreign government	2,703	1.3 %	2,715	1.4 %
Equity securities	1,708	0.8 %	1,737	0.9 %
Short-term investments	1,608	0.8 %	1,930	1.0 %
U.S. government and agencies	2,685	1.3 %	2,691	1.4 %
Other investments	42,373	20.5 %	41,832	21.3 %
Cash and equivalents	12,672	6.1 %	5,481	2.8 %
Policy loans and other	1,815	0.8 %	1,702	0.9 %
Net invested assets	\$ 206,749	100.0 %	\$ 196,451	100.0 %

¹ See *Managing Business Performance - Key Segment and Non-U.S. GAAP Performance Measures* for the definition of net invested assets.

Athene's net invested assets were \$206.7 billion and \$196.5 billion as of March 31, 2023 and December 31, 2022, respectively. The increase in net invested assets as of March 31, 2023 from December 31, 2022 was primarily driven by growth from net organic inflows of \$11.9 billion in excess of net liability outflows of \$5.5 billion, the issuance of \$3.0 billion of short-term repurchase agreements during the quarter and reinvestment of earnings.

In managing its business, Athene utilizes net invested assets as presented in the above table. Net invested assets do not correspond to Athene's total investments, including related parties, on the condensed consolidated statements of financial condition, as discussed previously in *Managing Business Performance - Key Segment and Non-U.S. GAAP Performance Measures*. Net invested assets represent Athene's investments that directly back its net reserve liabilities and surplus assets. Athene believes this view of its portfolio provides a view of the assets for which it has economic exposure. Athene adjusts the presentation for funds withheld and modco transactions to include or exclude the underlying investments based upon the contractual transfer of economic exposure to such underlying investments. Athene also adjusts for VIEs to show the net investment in the funds, which are included in the alternative investments line above, as well as adjusting for the allowance for credit losses. Net invested assets includes Athene's proportionate share of ACRA investments, based on its economic ownership, but excludes the proportionate share of investments associated with the non-controlling interest.

Net invested assets is utilized by management to evaluate Athene's investment portfolio. Net invested assets is used in the computation of net investment earned rate, which allows Athene to analyze the profitability of its investment portfolio. Net invested assets is also used in Athene's risk management processes for asset purchases, product design and underwriting, stress scenarios, liquidity, and ALM.

Principal Investing

The following table presents Principal Investing Income, the performance measure of our Principal Investing segment.

	Three months ended March 31,		Total Change	Percentage Change
	2023	2022		
	<i>(In millions)</i>			
Principal Investing:				
Realized performance fees	\$ 164	\$ 127	\$ 37	29.1%
Realized investment income	28	226	(198)	(87.6)
Principal investing compensation	(170)	(156)	14	9.0
Other operating expenses	(14)	(10)	4	40.0
Principal Investing Income (PII)	\$ 8	\$ 187	\$ (179)	(95.7)

As described in “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations—General”, earnings from our Principal Investing segment are inherently more volatile in nature than earnings from our Asset Management segment due to the intrinsic cyclical nature of performance fees, one of the key drivers of PII performance.

In this section, references to 2023 refer to the three months ended March 31, 2023 and references to 2022 refer to the three months ended March 31, 2022.

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

PII was \$8 million in 2023, a decrease of \$179 million, as compared to \$187 million in 2022. This decrease was primarily attributable to reduced realized investment income and higher compensation expenses in 2023, offset, in part, by higher realized performance fees. The realized investment income in 2022 was primarily attributable to realized gains on certain investments in the funds Apollo manages that were transferred to Athene and subsequently transferred to AAA in the second quarter of 2022. Realized performance fees in 2023 were driven by realizations in Fund VIII and HVF I, which contributed to higher principal investing compensation costs. In any period, the blended profit sharing percentage is impacted by the respective profit sharing ratios of the funds generating performance allocations in the period. Additionally, included in principal investing compensation are expenses related to the Incentive Pool, a compensation program through which certain employees are allocated discretionary compensation based on realized performance fees in a given year. The Incentive Pool is separate from the fund related profit sharing expense and may result in greater variability in compensation and have a variable impact on the blended profit sharing percentage during a particular period.

The Historical Investment Performance of Our Funds

Below we present information relating to the historical performance of the funds we manage, including certain legacy Apollo funds that do not have a meaningful amount of unrealized investments, and in respect of which the general partner interest has not been contributed to us.

When considering the data presented below, you should note that the historical results of funds we manage are not indicative of the future results that you should expect from such funds, from any future funds we may raise or from your investment in our common stock.

An investment in our common stock is not an investment in any of the Apollo managed funds, and the assets and revenues of the funds we manage are not directly available to us. The historical and potential future returns of the funds we manage are not directly linked to returns on our common stock. Therefore, you should not conclude that continued positive performance of the funds we manage will necessarily result in positive returns on an investment in our common stock. However, poor performance of the funds that we manage would cause a decline in our revenue from such funds, and would therefore have a negative effect on our performance and in all likelihood the value of our common stock.

Moreover, the historical returns of funds we manage should not be considered indicative of the future results you should expect from such funds or from any future funds we may raise. There can be no assurance that any Apollo fund will continue to achieve the same results in the future.

Finally, our private equity IRRs have historically varied greatly from fund to fund. For example, Fund VI generated a 12% gross IRR and a 9% net IRR since its inception through March 31, 2023, while Fund V generated a 61% gross IRR and a 44% net IRR since its inception through March 31, 2023. Accordingly, the IRR going forward for any current or future fund may vary considerably from the historical IRR generated by any particular fund, or for our private equity funds as a whole. Future returns will also be affected by the applicable risks, including risks of the industries and businesses in which a particular fund invests. See “Item 1A. Risk Factors—Risks Relating to Our Asset Management Business —“*Historical performance metrics are unreliable indicators of our current or future results of operations*” in the 2022 Annual Report.

Investment Record

The following table summarizes the investment record by strategy of Apollo’s significant commitment-based funds that have a defined maturity date in which investors make a commitment to provide capital at the formation of such funds and deliver capital when called as investment opportunities become available.

All amounts are as of March 31, 2023, unless otherwise noted:

<i>(In millions, except IRR)</i>	Vintage Year	Total AUM	Committed Capital	Total Invested Capital	Realized Value	Remaining Cost	Unrealized Value	Total Value	Gross IRR	Net IRR
Equity:										
Fund IX	2018	\$ 33,959	\$ 24,729	\$ 19,508	\$ 8,199	\$ 15,113	\$ 24,774	\$ 32,973	38 %	26 %
Fund VIII	2013	9,831	18,377	16,523	21,790	5,279	6,859	28,649	15	11
Fund VII	2008	406	14,677	16,461	34,214	16	67	34,281	33	25
Fund VI	2006	367	10,136	12,457	21,136	405	—	21,136	12	9
Fund V	2001	62	3,742	5,192	12,724	120	—	12,724	61	44
Fund I, II, III, IV & MIA ¹	Various	10	7,320	8,753	17,400	—	—	17,400	39	26
Traditional Private Equity Funds ²		\$ 44,635	\$ 78,981	\$ 78,894	\$ 115,463	\$ 20,933	\$ 31,700	\$ 147,163	39	24
EPF IV ³	N/A	2,355	2,346	490	4	487	522	526	NM ⁴	NM ⁴
EPF III	2017	4,320	4,462	4,815	3,430	2,248	3,133	6,563	16	9
Total Equity		\$ 51,310	\$ 85,789	\$ 84,199	\$ 118,897	\$ 23,668	\$ 35,355	\$ 154,252		
Hybrid:										
AIOF II	2021	\$ 2,572	\$ 2,542	\$ 1,183	\$ 299	\$ 1,043	\$ 1,174	\$ 1,473	21 %	17 %
AIOF I	2018	432	897	802	1,050	176	213	1,263	24	18
HVF II	2022	4,582	4,592	2,322	16	2,311	2,349	2,365	NM ⁴	NM ⁴
HVF I	2019	3,613	3,238	3,594	3,368	1,556	1,881	5,249	24	19
Accord V ⁵	2022	1,940	1,922	1,751	802	970	974	1,776	4	2
Accord I, II, III, III B & IV ⁵	Various	—	6,070	4,765	5,137	—	—	5,137	22	17
Accord+	2021	2,864	2,370	3,420	1,354	2,146	2,200	3,554	NM ⁴	NM ⁴
Total Hybrid		\$ 16,003	\$ 21,631	\$ 17,837	\$ 12,026	\$ 8,202	\$ 8,791	\$ 20,817		

¹ The general partners and managers of Funds I, II and MIA, as well as the general partner of Fund III, were excluded assets in connection with the reorganization of the Company that occurred in 2007. As a result, Apollo did not receive the economics associated with these entities. The investment performance of these funds, combined with Fund IV, is presented to illustrate fund performance associated with Apollo’s investment professionals.

² Total IRR is calculated based on total cash flows for all funds presented.

³ Vintage Year is not yet applicable as the fund has not had its final closing.

⁴ Data has not been presented as the fund’s effective date is less than 24 months prior to the period indicated and such information was deemed not meaningful.

⁵ Accord funds have investment periods shorter than 24 months, therefore Gross and Net IRR are presented after 12 months of investing.

Equity

The following table summarizes the investment record for distressed investments made in our traditional private equity fund portfolios since the Company's inception. All amounts are as of March 31, 2023:

<i>(In millions, except percentages)</i>	Total Invested Capital	Total Value	Gross IRR
Distressed for Control	\$ 7,795	\$ 18,874	29 %
Non-Control Distressed	6,302	10,780	71
Total	14,097	29,654	49
Corporate Carve-outs, Opportunistic Buyouts and Other Credit ¹	64,797	117,509	21
Total	\$ 78,894	\$ 147,163	39 %

¹ Other Credit is defined as investments in debt securities of issuers other than portfolio companies that are not considered to be distressed.

The following tables provide additional detail on the composition of the Fund IX, Fund VIII and Fund VII private equity portfolios based on investment strategy. Amounts for Fund I, II, III, IV, V and VI are included in the table above but not presented below as their remaining value is less than \$100 million or the fund has been liquidated and such information was deemed not meaningful. All amounts are as of March 31, 2023.

Fund IX¹

<i>(In millions)</i>	Total Invested Capital	Total Value
Corporate Carve-outs	\$ 4,082	\$ 9,286
Opportunistic Buyouts	14,642	21,330
Distressed ²	784	2,357
Total	\$ 19,508	\$ 32,973

Fund VIII¹

<i>(In millions)</i>	Total Invested Capital	Total Value
Corporate Carve-outs	\$ 2,704	\$ 7,025
Opportunistic Buyouts	13,252	20,870
Distressed ²	567	754
Total	\$ 16,523	\$ 28,649

Fund VII¹

<i>(In millions)</i>	Total Invested Capital	Total Value
Corporate Carve-outs	\$ 2,539	\$ 4,845
Opportunistic Buyouts	4,338	10,799
Distressed/Other Credit ²	9,584	18,637
Total	\$ 16,461	\$ 34,281

1 Committed capital less unfunded capital commitments for Fund IX, Fund VIII and Fund VII were \$16.9 billion, \$17.8 billion and \$14.7 billion, respectively, which represents capital commitments from limited partners to invest in such funds less capital that is available for investment or reinvestment subject to the provisions of the applicable governing agreements.

2 The distressed investment strategy includes distressed for control, non-control distressed and other credit. Other Credit is defined as investments in debt securities of issuers other than portfolio companies that are not considered to be distressed.

Perpetual Capital

The following table summarizes the investment record for the perpetual capital vehicles we manage, excluding Athene and Athora-related assets:

	IPO Year ²	Total AUM (In millions)	Total Returns ¹	
			For the Three Months Ended March 31, 2023	For the Three Months Ended March 31, 2022
MidCap Financial ³	N/A	\$ 13,090	6 %	5 %
AIF	2013	348	3 %	(5) %
AFT	2011	361	5 %	(8) %
MFIC	2004	2,779	3 %	6 %
ADS ⁴	N/A	6,016	5 %	— %
ARI	2009	9,553	(10) %	6 %
ADREF ⁵	N/A	7,211	(1) %	N/A
ADCF ⁵	N/A	905	4 %	N/A
Other ⁶	N/A	2,067	N/A	N/A
Total		<u>\$ 42,330</u>		

¹ Total returns are based on the change in closing trading prices during the respective periods presented taking into account dividends and distributions, if any, as if they were reinvested without regard to commission.

² An initial public offering (“IPO”) year represents the year in which the vehicle commenced trading on a national securities exchange.

³ MidCap Financial is not a publicly traded vehicle and therefore IPO year is not applicable. The returns presented are a gross return based on NAV. The net returns based on NAV were 5% and 4% for the three months ended March 31, 2023 and 2022, respectively.

⁴ ADS is not a publicly traded vehicle and therefore IPO year is not applicable. AUM is as of December 31, 2022. The returns presented are net returns based on NAV.

⁵ ADREF and ADCF are not publicly traded vehicles and therefore IPO years are not applicable. The returns presented are for their respective Class I shares and are net returns based on NAV. Returns are not presented for the three months ended March 31, 2022 as we did not advise these vehicles prior to the second quarter of 2022.

⁶ Other includes, among others, AUM of \$1.9 billion related to a publicly traded business development company from which Apollo earns investment-related service fees, but for which Apollo does not provide management or advisory services, as of December 31, 2022. Returns and IPO year are not provided for this AUM.

Summary of Non-U.S. GAAP Measures

The table below sets forth a reconciliation of net income attributable to Apollo Global Management, Inc. common stockholders to Segment Income and Adjusted Net Income:

(In millions)	Three months ended March 31,	
	2023	2022
GAAP Net Income (Loss) Attributable to Apollo Global Management, Inc.	\$ 1,010	\$ (401)
Net income (loss) attributable to non-controlling interests	528	(658)
GAAP Net Income (Loss)	\$ 1,538	\$ (1,059)
Income tax provision (benefit)	253	(485)
GAAP Income (Loss) Before Income Tax Provision (Benefit)	\$ 1,791	\$ (1,544)
<i>Asset Management Adjustments:</i>		
Equity-based profit sharing expense and other ¹	67	97
Equity-based compensation	52	56
Transaction-related charges ²	(3)	(1)
Merger-related transaction and integration costs ³	7	18
(Gains) losses from change in tax receivable agreement liability	—	14
Net (income) loss attributable to non-controlling interests in consolidated entities	(523)	649
Unrealized performance fees	(239)	(445)
Unrealized profit sharing expense	135	191
HoldCo interest and other financing costs ⁴	21	39
Unrealized principal investment income (loss)	(10)	82
Unrealized net (gains) losses from investment activities and other	12	(18)
<i>Retirement Services Adjustments:</i>		
Investment (gains) losses, net of offsets	(397)	2,636
Non-operating change in insurance liabilities and related derivatives	135	(649)
Integration, restructuring and other non-operating expenses	29	34
Equity-based compensation expense	16	12
Segment Income	1,093	1,171
HoldCo interest and other financing costs ⁴	(21)	(39)
Taxes and related payables	(227)	(215)
Adjusted Net Income	\$ 845	\$ 917

¹ Equity-based profit sharing expense and other includes certain profit sharing arrangements in which a portion of performance fees distributed to the general partner are required to be used by employees of Apollo to purchase restricted shares of common stock or is delivered in the form of RSUs, which are granted under the Equity Plan. Equity-based profit sharing expense and other also includes performance grants which are tied to the Company's receipt of performance fees, within prescribed periods, sufficient to cover the associated equity-based compensation expense.

² Transaction-related charges include contingent consideration, equity-based compensation charges and the amortization of intangible assets and certain other charges associated with acquisitions, and restructuring charges.

³ Merger-related transaction and integration costs includes advisory services, technology integration, equity-based compensation charges and other costs associated with the Mergers.

⁴ Represents interest and other financing costs related to AGM not attributable to any specific segment.

The table below sets forth a reconciliation of common stock outstanding to our Adjusted Net Income Shares Outstanding:

	As of March 31, 2023	As of December 31, 2022
Total GAAP Common Stock Outstanding	567,394,604	570,276,188
Non-GAAP Adjustments:		
Vested RSUs	12,781,851	15,656,775
Unvested RSUs Eligible for Dividend Equivalents	16,301,241	12,827,921
Adjusted Net Income Shares Outstanding	596,477,696	598,760,884

The table below sets forth a reconciliation of Athene's total investments, including related parties, to net invested assets:

(In millions)	As of March 31, 2023	As of December 31, 2022
Total investments, including related parties	\$ 203,230	\$ 196,448
Derivative assets	(3,956)	(3,309)
Cash and cash equivalents (including restricted cash)	14,992	8,407
Accrued investment income	1,458	1,328
Net receivable (payable) for collateral on derivatives	(1,909)	(1,486)
Reinsurance funds withheld and modified coinsurance	942	1,423
VIE and VOE assets, liabilities and noncontrolling interest	12,799	12,747
Unrealized (gains) losses	19,782	22,284
Ceded policy loans	(175)	(179)
Net investment receivables (payables)	39	186
Allowance for credit losses	521	471
Other investments	(50)	(10)
Total adjustments to arrive at gross invested assets	44,443	41,862
Gross invested assets	247,673	238,310
ACRA noncontrolling interest	(40,924)	(41,859)
Net invested assets	\$ 206,749	\$ 196,451

Liquidity and Capital Resources

Overview

The Company primarily derives revenues and cash flows from the assets it manages and the retirement savings products it issues, reinsures and acquires. Based on management's experience, we believe that the Company's current liquidity position, together with the cash generated from revenues will be sufficient to meet the Company's anticipated expenses and other working capital needs for at least the next 12 months. For the longer-term liquidity needs of the asset management business, we expect to continue to fund the asset management business' operations through management fees and performance fees received. The principal sources of liquidity for the retirement services business, in the ordinary course of business, are operating cash flows and holdings of cash, cash equivalents and other readily marketable assets.

AGM is a holding company whose primary source of cash flow is distributions from its subsidiaries, which are expected to be sufficient to fund cash flow requirements based on current estimates of future obligations. AGM's primary liquidity needs include the cash-flow requirements relating to its corporate activities, including its day-to-day operations, common stock dividend payments and strategic transactions, such as acquisitions.

At March 31, 2023, the Company had \$15.1 billion of unrestricted cash and cash equivalents and \$0.4 billion of U.S. Treasury securities, as well as \$4.8 billion of available funds from the 2022 AMH credit facility, AHL credit facility, and AHL liquidity facility.

Primary Uses of Cash

Over the next 12 months, we expect the Company's primary liquidity needs will be to:

- support the future growth of Apollo's businesses through strategic corporate investments;
- pay the Company's operating expenses, including, compensation, general, administrative, and other expenses;
- make payments to policyholders for surrenders, withdrawals and payout benefits;
- make interest and principal payments on funding agreements;
- make payments to satisfy pension group annuity obligations and policy acquisition costs;
- pay taxes and tax related payments;
- pay cash dividends;
- make payments related to the AOG Unit Payment;
- repurchase common stock; and
- make payments under the tax receivable agreement.

Over the long term, we believe we will be able to (i) grow Apollo's Assets Under Management and generate positive investment performance in the funds we manage, which we expect will allow us to grow the Company's management fees and performance fees and (ii) grow the investment portfolio of retirement services, in each case in amounts sufficient to cover our long-term liquidity requirements, which may include:

- supporting the future growth of our businesses;
- creating new or enhancing existing products and investment platforms;
- making payments to policyholders;
- pursuing new strategic corporate investment opportunities;
- paying interest and principal on the Company's financing arrangements;
- repurchasing common stock;
- making payments under the tax receivable agreement;
- making payments related to the AOG Unit Payment; and
- paying cash dividends.

Cash Flow Analysis

The section below discusses in more detail the Company's primary sources and uses of cash and the primary drivers of cash flows within the Company's condensed consolidated statements of cash flows:

(In millions)	For the Three Months Ended March 31,	
	2023	2022
Operating Activities	\$ 1,071	\$ (3,993)
Investing Activities	(5,640)	3,103
Financing Activities	11,523	11,240
Effect of exchange rate changes on cash and cash equivalents	3	(4)
Net Increase in Cash and Cash Equivalents, Restricted Cash and Cash Equivalents, and Cash and Cash Equivalents Held at Consolidated Variable Interest Entities	\$ 6,957	\$ 10,346

The assets of our consolidated funds and VIEs, on a gross basis, could have a substantial effect on the accompanying statement of cash flows. Because our consolidated funds and VIEs are generally treated as investment companies for accounting purposes, their investing cash flow amounts are included in our cash flows from operating activities. The table below summarizes our condensed consolidated statements of cash flow by activity attributable to the Company and to our consolidated funds and VIEs.

(In millions)	For the Three Months Ended March 31,	
	2023	2022
Net cash provided by the Company's operating activities	\$ 351	\$ 1,390
Net cash provided by (used in) the Consolidated Funds and VIEs operating activities	720	(5,383)
Net cash provided by (used in) operating activities	1,071	(3,993)
Net cash provided by (used in) the Company's investing activities	(5,280)	2,326
Net cash provided by (used in) the Consolidated Funds and VIEs investing activities	(360)	777
Net cash provided by (used in) investing activities	(5,640)	3,103
Net cash provided by the Company's financing activities	11,563	6,240
Net cash provided by (used in) the Consolidated Funds and VIEs financing activities	(40)	5,000
Net cash provided by financing activities	\$ 11,523	\$ 11,240

Operating Activities

The Company's operating activities support its Asset Management, Retirement Services and Principal Investing activities. The primary sources of cash within operating activities include: (a) management fees, (b) advisory and transaction fees, (c) realized performance revenues, (d) realized principal investment income, (e) investment sales from our consolidated funds and VIEs, (f) net investment income, (g) annuity considerations and (h) insurance premiums. The primary uses of cash within operating activities include: (a) compensation and non-compensation related expenses, (b) interest and taxes, (c) investment purchases from our consolidated funds and VIEs, (d) benefit payments and (e) other operating expenses.

- During the three months ended March 31, 2023, cash provided by operating activities reflects cash inflows of management fees, advisory and transaction fees, realized performance revenues, realized principal investment income and net investment income, partially offset by cash used for pension group annuity withdrawals, net of premiums. Net cash provided by operating activities includes net cash provided by our consolidated funds and VIEs, which primarily includes net proceeds from the sale of VIEs' investments, offset by purchases of VIEs' investments.
- During the three months ended March 31, 2022, cash used in operating activities primarily includes net cash used in our consolidated funds and VIEs for purchases of investments. Net cash provided by operating activities reflects cash inflows of management fees, advisory and transaction fees, realized performance revenues, and realized principal investment income, as well as cash received from pension group annuity transactions.

Investing Activities

The Company's investing activities support the growth of its business. The primary sources of cash within investing activities include: (a) distributions from investments and (b) sales, maturities and repayments of investments. The primary uses of cash within investing activities include: (a) capital expenditures, (b) purchases and acquisitions of new investments, including purchases of U.S. Treasury securities and (c) equity method investments in the funds we manage.

- During the three months ended March 31, 2023, cash used in investing activities primarily reflects the purchase of investments due to the deployment of significant cash inflows from Athene's organic growth, partially offset by the sale, repayment and maturity of investments.
- During the three months ended March 31, 2022, cash provided by investing activities primarily reflects Athene cash acquired as a result of the Mergers and the sale, repayment and maturity of investments. Net cash provided by investing activities also reflects the investing activities of our consolidated funds and VIEs, which primarily includes net proceeds from maturities of U.S. Treasury securities. Net cash used in investing activities is due to purchases of investments.

Financing Activities

The Company's financing activities reflect its capital market transactions and transactions with equity holders. The primary sources of cash within financing activities includes: (a) proceeds from debt and preferred equity issuances, (b) inflows on

Athene's investment-type policies, (c) changes of cash collateral posted for derivative transactions, and (d) capital contributions and proceeds from other borrowing activities. The primary uses of cash within financing activities include: (a) dividends, (b) payments under the tax receivable agreement, (c) share repurchases, (d) cash paid to settle tax withholding obligations in connection with net share settlements of equity-based awards, (e) repayments of debt, (f) withdrawals on Athene's investment-type policies and (g) changes of cash collateral posted for derivative transactions.

- During the three months ended March 31, 2023, cash provided by financing activities primarily reflects cash received from the strong organic inflows from retail, flow reinsurance and funding agreements, net of withdrawals, the issuance of short-term repurchase agreements and net capital contributions from non-controlling interests, partially offset by the payment of stock dividends. Cash provided by financing activities of our consolidated funds and VIEs primarily includes proceeds from the issuance of debt, offset by payments for borrowings under repurchase agreements.
- During the three months ended March 31, 2022, cash provided by financing activities primarily reflects the strong organic inflows from retail and funding agreements, net of withdrawals. Cash provided by financing activities by our consolidated funds and VIEs primarily includes proceeds from the issuance of debt. Net cash used in financing activities includes repurchases of common stock and common stock dividends paid, as well as repayment of debt by our consolidated funds and VIEs.

Contractual Obligations, Commitments and Contingencies

For a summary and a description of the nature of the Company's commitments, contingencies and contractual obligations, see note 18 to the condensed consolidated financial statements and "—Contractual Obligations, Commitments and Contingencies." The Company's commitments are primarily fulfilled through cash flows from operations and financing activities.

Consolidated Funds and VIEs

The Company manages its liquidity needs by evaluating unconsolidated cash flows; however, the Company's financial statements reflect the financial position of Apollo as well as Apollo's consolidated funds and VIEs (including SPACs). The primary sources and uses of cash at Apollo's consolidated funds and VIEs include: (a) raising capital from their investors, which have been reflected historically as non-controlling interests of the consolidated subsidiaries in our financial statements, (b) using capital to make investments, (c) generating cash flows from operations through distributions, interest and the realization of investments, (d) distributing cash flow to investors, (e) issuing debt to finance investments (CLOs) and (f) raising capital through SPAC vehicles for future acquisition of targeted entities.

Dividends and Distributions

For information regarding the quarterly dividends and distributions that were made to common stockholders and non-controlling interest holders in the Apollo Operating Group and participating securities, see note 15 to the condensed consolidated financial statements. Although the Company currently expects to pay dividends, we may not pay dividends if, among other things, we do not have the cash necessary to pay the dividends. To the extent we do not have cash on hand sufficient to pay dividends, we may have to borrow funds to pay dividends, or we may determine not to pay dividends. The declaration, payment and determination of the amount of our dividends are at the sole discretion of our board of directors.

Because AGM is a holding company, the primary source of funds for AGM's dividends is distributions from its operating subsidiaries, AAM and AHL, which are expected to be adequate to fund AGM's dividends and other cash flow requirements based on current estimates of future obligations. The ability of these operating subsidiaries to make distributions to AGM will depend on satisfying applicable law with respect to such distributions, including surplus and minimum solvency requirements among others, as well as making prior distributions on the AAM and AHL outstanding preferred stock. Moreover, the ability of AAM and AHL to receive distributions from their own respective subsidiaries will continue to depend on applicable law with respect to such distributions.

On May 9, 2023, AGM declared a cash dividend of \$0.43 per share of its common stock, which will be paid on May 31, 2023 to holders of record at the close of business on May 22, 2023.

Repurchase of Securities

Share Repurchase Program

For information regarding the Company's share repurchase program, see note 15 to the condensed consolidated financial statements.

Repurchase of Other Securities

We may from time to time seek to retire or purchase our other outstanding debt or equity securities through cash purchases and/or exchanges for other securities, purchases in the open market, privately negotiated transactions or otherwise. Any such repurchases will be dependent upon several factors, including our liquidity requirements, contractual restrictions, general market conditions and applicable regulatory, legal and accounting factors. Whether or not we repurchase any of our other securities and the size and timing of any such repurchases will be determined at our discretion.

Asset Management Liquidity

Our asset management business requires limited capital resources to support the working capital or operating needs of the business. For the asset management business' longer-term liquidity needs, we expect to continue to fund the asset management business' operations through management fees and performance fees received. Liquidity needs are also met (to a limited extent) through proceeds from borrowings and equity issuances as described in notes 13 and 15 to the condensed consolidated financial statements, respectively. From time to time, if the Company determines that market conditions are favorable after taking into account our liquidity requirements, we may seek to raise proceeds through the issuance of additional debt or equity instruments.

At March 31, 2023, the asset management business had \$1.3 billion of unrestricted cash and cash equivalents and \$0.4 billion of U.S. Treasury securities as well as \$1.0 billion of available funds from the 2022 AMH credit facility. The Company also has a registration statement on Form S-3 to provide it with access to the capital markets, subject to market conditions and other factors.

Future Debt Obligations

The asset management business had long-term debt of \$2.8 billion at March 31, 2023, which includes notes with maturities in 2024, 2026, 2029, 2030, 2048 and 2050. See note 13 to the condensed consolidated financial statements for further information regarding the asset management business' debt arrangements.

Future Cash Flows

Our ability to execute our business strategy, particularly our ability to increase our AUM, depends on our ability to establish new funds and to raise additional investor capital within such funds. Our liquidity will depend on a number of factors, such as our ability to project our financial performance, which is highly dependent on the funds we manage and our ability to manage our projected costs, fund performance, access to credit facilities, compliance with existing credit agreements, as well as industry and market trends. Also during economic downturns the funds we manage might experience cash flow issues or liquidate entirely. In these situations we might be asked to reduce or eliminate the management fee and performance fees we charge, which could adversely impact our cash flow in the future.

An increase in the fair value of the investments of the funds we manage, by contrast, could favorably impact our liquidity through higher management fees where the management fees are calculated based on the net asset value, gross assets or adjusted assets. Additionally, higher performance fees not yet realized would generally result when investments appreciate over their cost basis which would not have an impact on the asset management business' cash flow until realized.

Consideration of Financing Arrangements

As noted above, in limited circumstances, the asset management business may issue debt or equity to supplement its liquidity. The decision to enter into a particular financing arrangement is made after careful consideration of various factors, including the asset management business' cash flows from operations, future cash needs, current sources of liquidity, demand for the asset management business' debt or equity, and prevailing interest rates.

Revolver Facility

Under the 2022 AMH credit facility, AMH may borrow in an aggregate amount not to exceed \$1.0 billion and may incur incremental facilities in an aggregate amount not to exceed \$250 million plus additional amounts so long as AMH is in compliance with a net leverage ratio not to exceed 4.00 to 1.00. Borrowings under the 2022 AMH credit facility may be used for working capital and general corporate purposes, including without limitation, permitted acquisitions. The 2022 AMH credit facility has a final maturity date of October 12, 2027.

Tax Receivable Agreement

The tax receivable agreement provides for the payment to the Former Managing Partners and Contributing Partners of 85% of the amount of cash savings, if any, in U.S. federal, state, local and foreign income taxes that AGM and its subsidiaries realize subject to the agreement. For more information regarding the tax receivable agreement, see note 17 to the condensed consolidated financial statements.

AOG Unit Payment

On December 31, 2021, holders of AOG Units (other than Athene and Apollo) sold and transferred a portion of such AOG Units to a wholly-owned subsidiary of the Company, in exchange for an amount equal to \$3.66 multiplied by the total number of AOG Units held by such holders immediately prior to such transaction (such payment, the “AOG Unit Payment”). The remainder of the AOG Units held by such holders were exchanged for shares of AGM common stock concurrently with the consummation of the Mergers on January 1, 2022.

As of March 31, 2023, the outstanding AOG Unit Payment amount was \$307 million, payable in equal quarterly installments through December 31, 2024. See note 17 for more information.

Athora

Athora is a strategic liabilities platform that acquires and reinsures traditional closed life insurance policies and provides capital and reinsurance solutions to insurers in Europe. In 2017, an AAM subsidiary made a €125 million commitment to Athora, which was fully drawn as of April 2020. An AAM subsidiary committed an incremental €58 million in 2020 to purchase new equity interests. Additionally, in 2021, an AAM subsidiary acquired approximately €21.9 million of new equity interests in Athora.

In December 2021, an AAM subsidiary committed an additional €250 million to purchase new equity interests to support Athora’s ongoing growth initiatives, of which €180 million was drawn as of March 31, 2023.

An AAM subsidiary and Athene are minority investors in Athora with a long-term strategic relationship. Through its share ownership, the AAM subsidiary has approximately 19.9% of the total voting power in Athora, and Athene holds shares in Athora representing 10% of the total voting power in Athora. In addition, Athora shares held by funds and other accounts managed by Apollo represent, in the aggregate, approximately 15.1% of the total voting power in Athora.

Fund Escrow

As of March 31, 2023, the remaining investments and escrow cash of Fund VII was valued at 110% of the fund’s unreturned capital which was below the required escrow ratio of 115%. As a result, the fund is required to place in escrow current and future performance fee distributions to the general partner until the specified return ratio of 115% is met (at the time of a future distribution) or upon liquidation. Realized performance fees currently distributed to the general partner are limited to potential tax distributions and interest on escrow balances per the fund’s partnership agreement.

Clawback

Performance fees from certain of the funds we manage are subject to contingent repayment by the general partner in the event of future losses to the extent that the cumulative performance fees distributed from inception to date exceeds the amount computed as due to the general partner at the final distribution. See “—Overview of Results of Operations—Performance Fees” for the maximum performance fees subject to potential reversal by each fund.

Indemnification Liability

The asset management business recorded an indemnification liability in the event that the Former Managing Partners, Contributing Partners and certain investment professionals are required to pay amounts in connection with a general partner obligation to return previously distributed performance fees. See note 17 to the condensed consolidated financial statements for further information regarding the asset management business' indemnification liability.

Retirement Services Liquidity

There are two forms of liquidity relevant to our retirement services business: funding liquidity and balance sheet liquidity. Funding liquidity relates to the ability to fund operations. Balance sheet liquidity relates to the ability to liquidate or rebalance Athene's balance sheet without incurring significant costs from fees, bid-offer spreads, or market impact. Athene manages its liquidity position by matching projected cash demands with adequate sources of cash and other liquid assets. The principal sources of liquidity for our retirement services business, in the ordinary course of business, are operating cash flows and holdings of cash, cash equivalents and other readily marketable assets.

Athene's investment portfolio is structured to ensure a strong liquidity position over time to permit timely payment of policy and contract benefits without requiring asset sales at inopportune times or at depressed prices. In general, liquid assets include cash and cash equivalents, highly rated corporate bonds, unaffiliated preferred stock and public common stock, all of which generally have liquid markets with a large number of buyers. Assets included in modified coinsurance and funds withheld portfolios are available to fund the benefits for the associated obligations but are restricted from other uses. Although the investment portfolio of our retirement services business does contain assets that are generally considered illiquid for liquidity monitoring purposes (primarily mortgage loans, policy loans, real estate, investment funds, and affiliated common stock), there is some ability to raise cash from these assets if needed. Athene has access to additional liquidity through the \$1.25 billion AHL credit facility, with potential increases up to \$1.75 billion, the AHL liquidity facility with a borrowing capacity of \$2.5 billion, with potential increases up to \$3.0 billion, and \$2.0 billion of committed repurchase facilities. On February 7, 2023, Athene borrowed \$1.0 billion from the AHL liquidity facility for short-term cash flow needs, which was repaid in the first quarter of 2023. Both the AHL credit facility and AHL liquidity facility were undrawn as of March 31, 2023. Athene also has a registration statement on Form S-3 to provide it with access to the capital markets, subject to market conditions and other factors. Athene is also the counterparty to repurchase agreements with several different financial institutions, pursuant to which it may obtain short-term liquidity, to the extent available. In addition, through Athene's membership in the FHLB, it is eligible to borrow under variable rate short-term federal funds arrangements to provide additional liquidity.

Athene proactively manages its liquidity position to meet cash needs while minimizing adverse impacts on investment returns. Athene analyzes its cash-flow liquidity over the upcoming 12 months by modeling potential demands on liquidity under a variety of scenarios, taking into account the provisions of its policies and contracts in force, its cash flow position, and the volume of cash and readily marketable securities in its portfolio.

Liquidity risk is monitored, managed and mitigated through a number of stress tests and analyses to assess Athene's ability to meet its cash flow requirements, as well as the ability of its reinsurance and insurance subsidiaries to meet their collateral obligations, under various stress scenarios. Athene further seeks to mitigate liquidity risk by maintaining access to alternative, external sources of liquidity.

Insurance Subsidiaries' Operating Liquidity

The primary cash flow sources for Athene's insurance subsidiaries include retirement services product inflows (premiums and deposits), investment income, principal repayments on its investments, net transfers from separate accounts and financial product inflows. Uses of cash include investment purchases, payments to policyholders for surrenders, withdrawals and payout benefits, interest and principal payments on funding agreements, payments to satisfy pension group annuity obligations, policy acquisition costs and general operating costs.

Athene's policyholder obligations are generally long-term in nature. However, policyholders may elect to withdraw some, or all, of their account value in amounts that exceed Athene's estimates and assumptions over the life of an annuity contract. Athene includes provisions within its annuity policies, such as surrender charges and market value adjustments ("MVA"), which are intended to protect it from early withdrawals. As of March 31, 2023 and December 31, 2022, approximately 78% and 76%, respectively, of Athene's deferred annuity liabilities were subject to penalty upon surrender. In addition, as of each of March 31, 2023 and December 31, 2022, approximately 60% of policies contained MVAs that may also have the effect of

limiting early withdrawals if interest rates increase, but may encourage early withdrawals by effectively subsidizing a portion of surrender charges when interest rates decrease. As of March 31, 2023, approximately 26% of Athene's net reserve liabilities were generally non-surrenderable, including funding agreements, buy-out pension group annuities and payout annuities, while 57% were subject to penalty upon surrender.

Membership in Federal Home Loan Bank

Through its membership in the FHLB, Athene is eligible to borrow under variable rate short-term federal funds arrangements to provide additional liquidity. The borrowings must be secured by eligible collateral such as mortgage loans, eligible CMBS or RMBS, government or agency securities and guaranteed loans. As of March 31, 2023 and December 31, 2022, Athene had no outstanding borrowings under these arrangements.

Athene has issued funding agreements to the FHLB. These funding agreements were issued in an investment spread strategy, consistent with other investment spread operations. As of March 31, 2023 and December 31, 2022, Athene had funding agreements outstanding with the FHLB in the aggregate principal amount of \$4.9 billion and \$3.7 billion, respectively.

The maximum FHLB indebtedness by a member is determined by the amount of collateral pledged and cannot exceed a specified percentage of the member's total statutory assets dependent on the internal credit rating assigned to the member by the FHLB. As of March 31, 2023, the total maximum borrowing capacity under the FHLB facilities was limited to \$55.3 billion. However, Athene's ability to borrow under the facilities is constrained by the availability of assets that qualify as eligible collateral under the facilities and certain other limitations. Considering these limitations, as of March 31, 2023 Athene had the ability to draw up to an estimated \$5.9 billion, inclusive of borrowings then outstanding. This estimate is based on Athene's internal analysis and assumptions and may not accurately measure collateral which is ultimately acceptable to the FHLB.

Securities Repurchase Agreements

Athene engages in repurchase transactions whereby it sells fixed income securities to third parties, primarily major brokerage firms or commercial banks, with a concurrent agreement to repurchase such securities at a determined future date. Athene requires that, at all times during the term of the repurchase agreements, it maintains sufficient cash or other liquid assets sufficient to allow it to fund substantially all of the repurchase price. Proceeds received from the sale of securities pursuant to these arrangements are generally invested in short-term investments or maintained in cash, with the offsetting obligation to repurchase the security included within payables for collateral on derivatives and securities to repurchase on the condensed consolidated statements of financial condition. As per the terms of the repurchase agreements, Athene monitors the market value of the securities sold and may be required to deliver additional collateral (which may be in the form of cash or additional securities) to the extent that the value of the securities sold decreases prior to the repurchase date.

As of March 31, 2023 and December 31, 2022, the payables for repurchase agreements were \$7.8 billion and \$4.7 billion, respectively, while the fair value of securities and collateral held by counterparties backing the repurchase agreements was \$8.2 billion and \$5.0 billion, respectively. As of March 31, 2023, payables for repurchase agreements were comprised of \$4.9 billion of short-term and \$2.9 billion of long-term repurchase agreements. As of December 31, 2022, payables for repurchase agreements were comprised of \$1.9 billion of short-term and \$2.9 billion of long-term repurchase agreements.

Dividends from Insurance Subsidiaries

AHL is a holding company whose primary liquidity needs include the cash-flow requirements relating to its corporate activities, including its day-to-day operations, debt servicing, preferred and common stock dividend payments and strategic transactions, such as acquisitions. The primary source of AHL's cash flow is dividends from its subsidiaries, which are expected to be adequate to fund cash flow requirements based on current estimates of future obligations.

The ability of AHL's insurance subsidiaries to pay dividends is limited by applicable laws and regulations of the jurisdictions where the subsidiaries are domiciled, as well as agreements entered into with regulators. These laws and regulations require, among other things, the insurance subsidiaries to maintain minimum solvency requirements and limit the amount of dividends these subsidiaries can pay.

Subject to these limitations and prior notification to the appropriate regulatory agency, Athene's U.S. insurance subsidiaries are permitted to pay ordinary dividends based on calculations specified under insurance laws of the relevant state of domicile. Any distributions above the amount permitted by statute in any twelve month period are considered to be extraordinary dividends,

and require the approval of the appropriate regulator prior to payment. AHL does not currently plan on having the U.S. subsidiaries pay any dividends to their parents.

Dividends from AHL's subsidiaries are projected to be the primary source of AHL's liquidity. Under the Bermuda Insurance Act, each of Athene's Bermuda insurance subsidiaries is prohibited from paying a dividend in an amount exceeding 25% of the prior year's statutory capital and surplus, unless at least two members of the board of directors of the Bermuda insurance subsidiary and its principal representative in Bermuda sign and submit to the Bermuda Monetary Authority ("BMA") an affidavit attesting that a dividend in excess of this amount would not cause the Bermuda insurance subsidiary to fail to meet its relevant margins. In certain instances, the Bermuda insurance subsidiary would also be required to provide prior notice to the BMA in advance of the payment of dividends. In the event that such an affidavit is submitted to the BMA in accordance with the Bermuda Insurance Act, and further subject to the Bermuda insurance subsidiary meeting its relevant margins, the Bermuda insurance subsidiary is permitted to distribute up to the sum of 100% of statutory surplus and an amount less than 15% of its total statutory capital. Distributions in excess of this amount require the approval of the BMA.

The maximum distribution permitted by law or contract is not necessarily indicative of the insurance subsidiaries' actual ability to pay such distributions, which may be further restricted by business and other considerations, such as the impact of such distributions on surplus, which could affect Athene's ratings or competitive position and the amount of premiums that can be written. Specifically, the level of capital needed to maintain desired financial strength ratings from rating agencies, including S&P, A.M. Best, Fitch and Moody's, is of particular concern when determining the amount of capital available for distributions. AHL believes its insurance subsidiaries have sufficient statutory capital and surplus, combined with additional capital available to be provided by AHL, to meet their financial strength ratings objectives. Finally, state insurance laws and regulations require that the statutory surplus of Athene's insurance subsidiaries following any dividend or distribution must be reasonable in relation to their outstanding liabilities and adequate for the insurance subsidiaries' financial needs.

Other Sources of Funding

Athene may seek to secure additional funding at the AHL level by means other than dividends from subsidiaries, such as by drawing on the undrawn \$1.25 billion AHL credit facility, drawing on the undrawn \$2.5 billion AHL liquidity facility or by pursuing future issuances of debt or preference shares to third-party investors. The AHL credit facility contains various standard covenants with which Athene must comply, including maintaining a Consolidated Debt to Capitalization Ratio (as such term is defined in the AHL credit facility) of not greater than 35% at the end of any quarter, maintaining a minimum Consolidated Net Worth (as such term is defined in the AHL credit facility) of no less than \$7.3 billion, and restrictions on the ability to incur debt and liens, in each case with certain exceptions. The AHL liquidity facility also contains various standard covenants with which Athene must comply, including maintaining an ALRe minimum Consolidated Net Worth (as such term is defined in the AHL liquidity facility) of no less than \$9.3 billion and restrictions on the ability to incur debt and liens, in each case with certain exceptions.

Future Debt Obligations

Athene had long-term debt of \$3.7 billion as of March 31, 2023, which includes notes with maturities in 2028, 2030, 2031, 2033, 2051, and 2052. See note 13 to the condensed consolidated financial statements for further information regarding Athene's debt arrangements.

Capital

Athene believes it has a strong capital position and that it is well positioned to meet policyholder and other obligations. Athene measures capital sufficiency using an internal capital model which reflects management's view on the various risks inherent to its business, the amount of capital required to support its core operating strategies and the amount of capital necessary to maintain its current ratings in a recessionary environment. The amount of capital required to support Athene's core operating strategies is determined based upon internal modeling and analysis of economic risk, as well as inputs from rating agency capital models and consideration of both NAIC RBC and Bermuda capital requirements. Capital in excess of this required amount is considered excess equity capital, which is available to deploy. As of December 31, 2022, Athene's U.S. RBC ratio was 387%, its Bermuda RBC ratio was 407% and its consolidated RBC ratio was 416%. The formulas for determining the amount of RBC specify various weighting factors that are applied to financial balances or various levels of activity based on the perceived degree of risk.

ACRA

ACRA 1 provides Athene with access to on-demand capital to support its growth strategies and capital deployment opportunities. ACRA 1 provides a capital source to fund both Athene's inorganic and organic channels, including pension group annuity, funding agreement and retail channels. This strategic capital solution allows Athene the flexibility to simultaneously deploy capital across multiple accretive avenues, while maintaining a strong financial position.

Athene Co-Invest Reinsurance Affiliate Holding 2 Ltd. (together with its subsidiaries, ACRA 2) was established in December 2022 as another long-duration, on-demand capital vehicle. Athene currently owns 100% of ACRA 2's economic and voting interests prior to the initial closing of ACRA 2, which is expected to occur on July 1, 2023.

Critical Accounting Estimates and Policies

Other than as described in this Item 2, there have been no material changes to the Company's critical accounting estimates and policies from those previously disclosed in the 2022 Annual Report. The following updates and supplements the critical accounting estimates and policies in the 2022 Annual Report.

Future Policy Benefits

The future policy benefit liabilities associated with long duration contracts include term and whole-life products, accident and health, disability, and deferred and immediate annuities with life contingencies, which include pension group annuities with life contingencies. Liabilities for nonparticipating long duration contracts are established as the estimated present value of benefits Athene expects to pay to or on behalf of the policyholder and related expenses less the present value of the net premiums to be collected, referred to as the net premium ratio. For immediate annuities with life contingencies, the liability for future policy benefits is equal to the present value of future benefits and related expenses.

Liabilities for nonparticipating long-duration contracts are established using accepted actuarial valuation methods which require the use of assumptions related to discount rate, expenses and policyholder behavior. Athene bases certain key assumptions related to policyholder behavior on industry standard data, adjusted to align with company experience, if needed. All cash flow assumptions, apart from expense assumptions, are established at contract issuance and reviewed annually, or more frequently, if actual experience suggests a revision is necessary.

Immediate annuities with life contingencies, which include pension group annuities with life contingencies, represent the significant majority of Athene's liabilities for future policy benefits. Significant assumptions include discount rates, assumptions for policyholder longevity and policyholder utilization for contracts with deferred lives. In general, the reserve for future policy benefits will decrease when longevity decreases, resulting in remeasurement gains in the condensed consolidated statements of operations. Changes in the discount rate in periods after a cohort has closed will not impact interest expense recognition within the condensed consolidated statements of operations. However, changes in the discount rate will impact the recorded reserve on the condensed consolidated statements of financial condition, with an offsetting unrealized gain or loss recorded to other comprehensive income (loss). Athene uses a single A rate to calculate the present value of reserves related to its immediate annuities with life contingencies.

For these limited-payment contracts where premiums are due over a significantly shorter period than the period over which benefits are provided, a deferred profit liability is established to the extent that gross premium exceeds the net premium reserve and included within future policy benefits. When the net premium ratio for the corresponding future policy benefit is updated for actual experience and changes to projected cash flow assumptions, both the future policy benefit reserve and deferred profit liability are retrospectively recalculated from the contract issuance date. Also included within the liability for future policy benefits is negative VOBA that was established for blocks of insurance contracts acquired through the Mergers. Negative VOBA related to immediate annuities with life contingencies is subsequently measured on a basis generally consistent with the deferred profit liability.

The increase (decrease) to future policy benefit reserves from hypothetical changes in discount rates is summarized as follows:

(In millions)	March 31, 2023	
+100 bps discount rate	\$	(2,667)
-100 bps discount rate		3,106

Market Risk Benefits

Market risk benefits represent contracts or contract features that both provide protection to the contract holder from, and exposes the insurance entity to, other-than-nominal capital market risk. Athene issues and reinsures deferred annuity contracts, which includes both traditional deferred and indexed annuities, that contain GLWB and GMDB riders. These riders meet the criteria for and are classified as market risk benefits.

Market risk benefits are measured at fair value at the contract level and may be recorded as a liability or an asset. At contract inception, Athene assesses the fees and assessments that are collectible from the policyholder, which include explicit rider fees and other contract fees, and allocates them to the extent they are attributable to the market risk benefit. These attributed fees are used in the valuation of the market risk benefits and are never negative or exceed total explicit fees collectible from the policyholder. Athene is also required to project the expected benefits that will be required for the riders in excess of the projected account balance. Determining the projected benefits in excess of the projected account balance requires judgment for economic and actuarial assumptions, both of which are used in determining future policyholder account growth that will drive the amount of benefits required.

Economic assumptions include interest rates and implied equity volatilities throughout the duration of the liability. For riders on indexed annuities, this also includes assumptions about projected equity returns, which impact expected index credits on the next policy anniversary date and future equity option costs. When economic assumptions lead to an increase in expected future policy growth from higher interest and index crediting during the accumulation period, the higher projected account balance at the time of rider utilization decreases the inherent value of the rider as less payments for benefits are required in excess of the account balance. All else constant, the increase in the projected account balance will, therefore, result in a decrease to the market risk benefit liability or an increase if the market risk benefit is in an asset position with remeasurement gains recorded in the condensed consolidated statements of operations.

Policyholder behavior assumptions are established using accepted actuarial valuation methods to estimate decrements to policies with riders including lapses, full and partial withdrawals (surrender rate) and mortality and the utilization of the benefit riders. Base lapse rates consider the level of surrender charges and are dynamically adjusted based on the level of current interest rates relative to the guaranteed rates and the amount by which any rider guarantees are in a net positive position. Rider utilization assumptions consider the number and timing of policyholders electing the riders. Athene tracks and updates this assumption as experience emerges. Mortality assumptions are set at the product level and are generally based on standard industry tables with adjustments for historical experience and a provision for mortality improvement. While economic assumptions impact the projected account value and the benefits paid in excess of the account value, policyholder behavior assumptions, such as surrenders, impact the expected number of policies that will elect to utilize the rider. An expected increase in decrements and decrease in rider utilization, all else constant, will result in a decrease to the market risk benefit liability or an increase in the market risk benefit asset with remeasurement gains recorded in the condensed consolidated statements of operations.

All inputs, including expected fees and assessments and economic and policyholder behavior assumptions, are used to project excess benefits and fees over a range of risk-neutral, stochastic interest rate scenarios. For riders on indexed annuities, stochastic equity return scenarios are also included within the range. The discount rate used to present value the projected cash flows is a significant assumption, with the change in risk free rates expected to drive most of the movement in discount rates between periods. A risk margin is deducted from the discount rate to reflect the uncertainty in the projected cash flows, such as variations in policyholder behavior, and a credit spread is added to reflect Athene's risk of nonperformance. If the discount rates used were to fluctuate, there would be a resulting change in reserves for the market risk benefits recorded through the condensed consolidated statements of operations, except for the portion related to the change in nonperformance risk, which is recorded through other comprehensive income (loss).

The increase (decrease) to the net market risk benefit balance from hypothetical changes in the discount rate is summarized as follows:

<i>(In millions)</i>	March 31, 2023
+100 bps discount rate	\$ (718)
–100 bps discount rate	890

Deferred Acquisition Costs, Deferred Sales Inducements, and Value of Business Acquired

DAC, DSI and VOBA are no longer considered critical accounting estimates as a result of the adoption of LDTI as of January 1, 2023.

Recent Accounting Pronouncements

A list of recent accounting pronouncements that are relevant to Apollo and its industries is included in note 2 to our condensed consolidated financial statements.

Contractual Obligations, Commitments and Contingencies

Fixed and determinable payments due in connection with the Company's material contractual obligations are as follows as of March 31, 2023:

	2023	2024 - 2025	2026 - 2027	2028 and Thereafter	Total
	<i>(In millions)</i>				
Asset Management					
Operating lease obligations ¹	\$ 51	\$ 153	\$ 149	\$ 547	\$ 900
Other long-term obligations ²	12	1	—	—	13
2022 AMH credit facility ³	1	2	1	—	4
Debt obligations ³	90	740	662	2,498	3,990
AOG Unit payment ⁴	132	175	—	—	307
	<u>286</u>	<u>1,071</u>	<u>812</u>	<u>3,045</u>	<u>5,214</u>
Retirement Services					
Interest sensitive contract liabilities	15,102	39,863	35,625	90,510	181,100
Future policy benefits	1,606	4,301	4,302	32,281	42,490
Market risk benefits	—	—	—	5,721	5,721
Other policy claims and benefits	124	—	—	—	124
Dividends payable to policyholders	3	10	9	75	97
Debt ³	110	306	306	4,592	5,314
Securities to repurchase ⁵	5,086	1,385	1,935	—	8,406
	<u>22,031</u>	<u>45,865</u>	<u>42,177</u>	<u>133,179</u>	<u>243,252</u>
Obligations	<u>\$ 22,317</u>	<u>\$ 46,936</u>	<u>\$ 42,989</u>	<u>\$ 136,224</u>	<u>\$ 248,466</u>

¹ Operating lease obligations excludes \$225 million of other operating expenses associated with operating leases.

² Includes (i) payments on management service agreements related to certain assets and (ii) payments with respect to certain consulting agreements entered into by the Company. Note that a significant portion of these costs are reimbursable by funds.

³ The obligations for debt payments include contractual maturities of principal and estimated future interest payments based on the terms of the debt agreements. See note 13 of the condensed consolidated financial statements for further discussion of these debt obligations.

⁴ On December 31, 2021, each holder of AOG Units (other than those held by the Company and Athene) sold a portion of their limited partnership interests to the Company in exchange for the AOG Unit Payment. See note 17 to the condensed consolidated financial statements for more information.

⁵ The obligations for securities for repurchase payments include contractual maturities of principal and estimated future interest payments based on the terms of the agreements. Future interest payments on floating rate repurchase agreements were calculated using the March 31, 2023 interest rate.

Note: Due to the fact that the timing of certain amounts to be paid cannot be determined or for other reasons discussed below, the following contractual commitments have not been presented in the table above.

(i) As noted previously, the tax receivable agreement requires us to pay to our Former Managing Partners and Contributing Partners 85% of any tax savings received by AGM and its subsidiaries from our step-up in tax basis. The tax savings achieved may not ensure that we have sufficient cash available to pay this liability and we might be required to incur additional debt to satisfy this liability.

- (ii) Debt amounts related to the consolidated VIEs are not presented in the table above as the Company is not a guarantor of these non-recourse liabilities.
- (iii) In connection with the Stone Tower acquisition, Apollo agreed to pay the former owners of Stone Tower a specified percentage of any future performance fees earned from certain of the Stone Tower funds, CLOs and strategic investment accounts. In connection with the acquisition of Griffin Capital's U.S. asset management business on May 3, 2022, Apollo agreed to pay the former owners certain share-based consideration contingent on specified AUM and capital raising thresholds. These contingent consideration liabilities are remeasured to fair value at each reporting period until the obligations are satisfied. See note 18 to the condensed consolidated financial statements for further information regarding the contingent consideration liabilities.
- (iv) Commitments from certain of our subsidiaries to contribute to the funds we manage and certain related parties.

Atlas Securitized Products Holdings LP

On February 8, 2023, the Company and CS undertook the first close of their previously announced transaction whereby certain subsidiaries of Atlas acquired certain assets of the CS Securitized Products Group (the "Transaction"). Under the terms of the Transaction, Atlas has agreed to pay CS \$3.3 billion, \$0.4 billion of which is deferred until February 8, 2026, and \$2.9 billion of which is deferred until February 8, 2028. This deferred purchase price is an obligation first of Atlas, second of AAA, third of AAM, fourth of AHL and fifth of AARE. Each of AARE and AAM has issued an assurance letter to CS for the full deferred purchase obligation amount of \$3.3 billion. In exchange for the purchase price, Atlas expects to receive, by the Transaction's final close, approximately \$0.4 billion in cash and a portfolio of senior secured warehouse assets, subject to debt, with approximately \$1 billion of tangible equity value (to the extent that the warehouse assets received by Atlas constitute less than \$1 billion of tangible equity value, the amount of cash is expected to increase by an offsetting amount). These warehouse assets are senior secured assets at industry standard loan-to-value ratios, structured to investment grade-equivalent criteria, and were approved by Atlas in connection with this Transaction. In addition, Atlas has received an investment management contract to manage certain unrelated assets on behalf of CS, providing for quarterly payments expected to total approximately \$1.1 billion net to Atlas over 5 years. Finally, Atlas shall also benefit generally from the net spread earned on its assets in excess of its cost of financing. As a result, the fair value of the liability related to the Company's assurance letter is not material to the condensed consolidated financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of incurring losses due to adverse changes in market rates and prices. Included in market risk are potential losses in value due to credit and counterparty risk, interest rate risk, currency risk, commodity price risk, equity price risk and inflation risk.

In our asset management business, our predominant exposure to market risk is related to our role as investment manager and general partner for the funds we manage and the sensitivity to movements in the fair value of their investments and resulting impact on performance fees and management fee revenues. Our direct investments in the funds we manage also expose us to market risk whereby movements in the fair values of the underlying investments will increase or decrease both net gains (losses) from investment activities and income (loss) from equity method investments.

Our retirement services business is exposed to market risk through its investment portfolio, its counterparty exposures, and its hedging and reinsurance activities. Athene's primary market risk exposures are to credit risk, interest rate risk and equity price risk.

For a discussion of our market risk exposures in general, please see "Part II—Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our 2022 Annual Report, which is accessible on the Securities and Exchange Commission's website at www.sec.gov and is incorporated by reference into this report.

There have been no material changes to market risk exposures from those previously disclosed in the Company's 2022 Annual Report other than those disclosed below.

Sensitivities

Retirement Services

Interest Rate Risk

Athene assesses interest rate exposure for financial assets and liabilities using hypothetical stress tests and exposure analyses. Assuming all other factors are constant, if there was an immediate parallel increase in interest rates of 25 basis points from

levels as of March 31, 2023, Athene estimates a net decrease to its point-in-time pre-tax income from changes in the fair value of these financial instruments of \$570 million, net of offsets. If there was a similar parallel increase in interest rates from levels as of December 31, 2022, Athene estimates a net decrease to its point-in-time pre-tax income from changes in the fair value of these financial instruments of \$524 million, net of offsets. The financial instruments included in the sensitivity analysis are carried at fair value and changes in fair value are recognized in earnings. These financial instruments include derivative instruments, embedded derivatives and certain fixed maturity securities. The sensitivity analysis excludes those financial instruments carried at fair value for which changes in fair value are recognized in equity, such as AFS fixed maturity securities.

Assuming a 25 basis point increase in interest rates that persists for a 12-month period, the estimated impact to spread related earnings would be an increase of approximately \$45 – \$55 million, and a 25 basis point decrease would generally result in a similar decrease. This is driven by a change in investment income from floating rate assets and liabilities calculated without regard to future changes to assumptions. Athene is unable to make forward-looking estimates regarding the impact on net income (loss) of changes in interest rates that persist for a period of time as a result of an inability to determine how such changes will affect certain of the items that Athene characterizes as “adjustments to income (loss) before income taxes” in its reconciliation between net income (loss) available to AHL common shareholder and spread related earnings. See “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Summary of Non-U.S. GAAP Measures” for the reconciliation of net income (loss) attributable to AGM common stockholders to adjusted net income, of which spread related earnings is a component. The impact of changing rates on these adjustments is likely to be significant. See above for a discussion regarding the estimated impact on net income (loss) of an immediate, parallel increase in interest rates of 25 basis points from levels as of March 31, 2023, which discussion encompasses the impact of such an increase on certain of the adjustment items.

The models used to estimate the impact of a 25 basis point change in market interest rates incorporate numerous assumptions, require significant estimates and assume an immediate change in interest rates without any discretionary management action to counteract such a change. Consequently, potential changes in Athene’s valuations indicated by these simulations will likely be different from the actual changes experienced under any given interest rate scenarios and these differences may be material. Because Athene actively manages its assets and liabilities, the net exposure to interest rates can vary over time. However, any such decreases in the fair value of fixed maturity securities, unless related to credit concerns of the issuer requiring recognition of credit losses, would generally be realized only if Athene were required to sell such securities at losses to meet liquidity needs.

Public Equity Risk

Athene assesses public equity market risk for financial assets and liabilities using hypothetical stress tests and exposure analyses. Assuming all other factors are constant, if there was a decline in public equity market prices of 10% as of March 31, 2023, Athene estimates a net decrease to its pre-tax income from changes in the fair value of these financial instruments of \$408 million. As of December 31, 2022, Athene estimates that a decline in public equity market prices of 10% would cause a net decrease to its pre-tax income from changes in the fair value of these financial instruments of \$312 million. The increase in sensitivity to point-in-time pre-tax income from changes in the fair value of these financial instruments in the estimated outcome as of March 31, 2023, when compared to December 31, 2022, is driven by equity market performance during the quarter, which has resulted in more equity exposure to public equity market price declines. The financial instruments included in the sensitivity analysis are carried at fair value and changes in fair value are recognized in earnings. These financial instruments include public equity investments, derivative instruments and the FIA embedded derivative.

ITEM 4. CONTROLS AND PROCEDURES

We maintain “disclosure controls and procedures”, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired objectives.

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) are effective at the reasonable assurance level to accomplish their objectives of ensuring that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer as appropriate, to allow timely decisions regarding required disclosure.

As discussed in note 2, effective January 1, 2023, we adopted ASUs 2020-11, 2019-09 and 2018-12 (collectively, Insurance – Targeted Improvements to the Accounting for Long-Duration Contracts). With this implementation, we updated our business processes and related control activities to consider new financial reporting requirements, including controls related to the update of assumptions and process used to determine the liabilities for future policy benefits, market risk benefits and amortization of deferred costs, as well as processes to produce new required disclosures.

Except for the changes noted above, no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during our most recent quarter, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See a summary of the Company's legal proceedings set forth in note 18 to our condensed consolidated financial statements, which is incorporated by reference herein.

ITEM 1A. RISK FACTORS

For a discussion of our potential risks and uncertainties, see the information under the heading "Risk Factors" in our 2022 Annual Report, which is accessible on the Securities and Exchange Commission's website at www.sec.gov. There have been no material changes to the risk factors for the three months ended March 31, 2023.

The risks described in our 2022 Annual Report are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

ITEM 2. UNREGISTERED SALE OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sale of Equity Securities

On February 16, 2023, the Company issued 79,364 restricted shares under the 2019 Omnibus Equity Incentive Plan for Estate Planning Vehicles and 5,598 restricted shares under the 2019 Omnibus Equity Incentive Plan to certain holders of vested performance fee rights. The shares were issued in private placements in reliance on Regulation D or Section 4(a)(2) of the Securities Act.

Issuer Purchases of Equity Securities

The following table sets forth information regarding repurchases of shares of common stock during the fiscal quarter ended March 31, 2023.

Period	Total number of shares of common stock purchased ¹	Average price paid per share	Total number of shares of common stock purchased as part of publicly announced plans or programs ³	Approximate dollar value of common stock that may yet be purchased under the plans or programs
January 1, 2023 through January 31, 2023				
Opportunistic repurchases	—		—	
Equity award-related repurchases ²	—		—	
Total	—	\$ —	—	\$ 1,727,344,512
February 1, 2023 through February 28, 2023				
Opportunistic repurchases	—		—	
Equity award-related repurchases ²	6,084,939		5,891,685	
Total	6,084,939	\$ 69.29	5,891,685	\$ 1,319,101,282
March 1, 2023 through March 31, 2023				
Opportunistic repurchases	2,435,233		2,435,233	
Equity award-related repurchases ²	669,767		669,767	
Total	3,105,000	\$ 68.12	3,105,000	\$ 1,107,576,246
Total				
Opportunistic repurchases	2,435,233		2,435,233	
Equity award-related repurchases ²	6,754,706		6,561,452	
Total	9,189,939		8,996,685	

¹ Certain Apollo employees receive a portion of the profit sharing proceeds of certain funds in the form of (a) restricted shares of common stock that they are required to purchase with such proceeds or (b) RSUs, in each case which equity-based awards generally vest over three years. These equity-based awards are granted under the Company's Equity Plan. To prevent dilution on account of these awards, Apollo may, in its discretion, repurchase shares of common stock on the open market and retire them. During the three months ended March 31, 2023, we repurchased 193,254 shares of common stock at an average price paid per share of \$71.12 in open-market transactions not pursuant to a publicly-announced repurchase plan or program on account of these awards.

² Represents repurchases of shares of common stock in order to offset the dilutive impact of share issuances under the Equity Plan including reductions of shares of common stock that otherwise would have been issued to participants under the Company's Equity Plan in order to satisfy associated tax obligations.

³ Pursuant to a share repurchase program that was publicly announced on January 3, 2022, as amended on February 21, 2023, the Company is authorized to repurchase (i) up to an aggregate of \$1.0 billion of shares of its common stock in order to opportunistically reduce its share count and (ii) up to an aggregate of \$1.5 billion of shares of its common stock in order to offset the dilutive impact of share issuances under the its equity incentive plans, in each case with the timing and amount of repurchases to depend on a variety of factors including price, economic and market conditions as well as expected capital needs, evolution in Company's capital structure, legal requirements and other factors. Under the share repurchase program, repurchases may be of outstanding shares of common stock occurring from time to time in open market transactions, in privately negotiated transactions, pursuant to a trading plan adopted in accordance with Rule 10b5-1 of the Exchange Act, or otherwise, as well as through reductions of shares that otherwise would have been issued to participants under the Company's Equity Plan in order to satisfy associated tax obligations. The share repurchase program does not obligate the Company to make any repurchases at any specific time. The program is effective until the aggregate repurchase amount that has been approved by the AGM board of directors has been expended. The program may be suspended, extended, modified or discontinued at any time.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

APOLLO GLOBAL MANAGEMENT, INC.
EXHIBIT INDEX

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description
2.1	<u>Agreement and Plan of Merger, dated as of March 8, 2021, by and among Apollo Global Management, Inc., Athene Holding Ltd., Tango Holdings, Inc., Blue Merger Sub, Ltd., and Green Merger Sub, Inc. (incorporated by reference to Exhibit 2.1 to Apollo Asset Management, Inc.'s Form 8-K filed on March 8, 2021 (File No. 001-35107)).</u>
3.1	<u>Amended and Restated Certificate of Incorporation of Tango Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K12B filed on January 3, 2022 (File No. 001-41197)).</u>
3.2	<u>Amendment to the Amended and Restated Certificate of Incorporation of Apollo Global Management, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Form 8-K12B filed on January 3, 2022 (File No. 001-41197)).</u>
3.3	<u>Amended and Restated Bylaws of Apollo Global Management, Inc. (incorporated by reference to Exhibit 3.3 to the Registrant's Form 8-K12B filed on January 3, 2022 (File No. 001-41197)).</u>
4.1	Certain instruments defining the rights of holders of long-term debt securities of the Registrant and its subsidiaries are omitted pursuant to Item 601(b)(4)(iii) of Regulation S-K. The Registrant hereby undertakes to furnish to the Securities and Exchange Commission, upon request, copies of any such instruments.
*†+10.1	<u>Form of Apollo Carry Award.</u>
*†+10.2	<u>Accord+ Notional Bonus Plan.</u>
*+10.3	<u>Amended and Restated Exempted Limited Partnership Agreement of Apollo EPF Advisors IV, L.P., dated March 27, 2023 and effective as of December 31, 2021.</u>
*+10.4	<u>Amended and Restated Exempted Limited Partnership Agreement of Apollo Infrastructure Opportunities Advisors II, L.P., dated February 10, 2022 and effective as of July 10, 2020.</u>
*+10.5	<u>Amended and Restated Exempted Limited Partnership Agreement of Apollo Hybrid Value Advisors II, L.P., dated March 31, 2022 and effective as of September 29, 2020.</u>
*31.1	<u>Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).</u>
*31.2	<u>Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).</u>
*32.1	<u>Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</u>
*32.2	<u>Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</u>

APOLLO GLOBAL MANAGEMENT, INC.
EXHIBIT INDEX

101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
*101.SCH	XBRL Taxonomy Extension Schema Document
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
*101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
*101.LAB	XBRL Taxonomy Extension Label Linkbase Document
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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t contract or compensatory plan or arrangement.

rmation contained in this exhibit has been omitted because it is not material and is the type that the registrant treats as private or confidential.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Apollo Global Management, Inc.

(Registrant)

Date: May 9, 2023

By: /s/ Martin Kelly

Name: Martin Kelly

Title: Chief Financial Officer
(principal financial officer and authorized signatory)

CERTAIN INFORMATION, IDENTIFIED BY AND REPLACED WITH A MARK OF “[],” HAS BEEN EXCLUDED FROM THIS DOCUMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.



Apollo Carry Award

[Date]
[Name of Participant]

Dear []:

We are pleased to welcome you to the Apollo Carry Award Program. On behalf of Apollo Global Management, Inc. (the “*Company*” and together with its subsidiaries and affiliates “*Apollo*”) and the carry partnerships listed below (each a “*Partnership*”), you have been selected to receive an Apollo Carry Award (your “*ACA*”).

In connection with your ACA, you have been allocated direct and notional points (“*ACA Points*”) in or relating to the Partnerships. Your ACA Points entitle you to share in or receive payments based on a portion of the carried interest earned from specified fund vehicles (the “*Funds*”) for which each Partnership serves as general partner or special limited partner, subject to the terms and conditions in this award letter (“*Award Letter*”) and the award documents for each component of your ACA listed on the *ACA Document Checklist* (the “*ACA Documents*”). Any capitalized terms used and not defined in this Award Letter are defined in Annex A hereto.

The ACA Points awarded to you are as follows:

Partnership	Point Type	Direct or Notional	Number of Points
Apollo Advisors IX, L.P.	[]	[]	[]
Apollo Hybrid Value Advisors II, L.P.	[]	[]	[]
Apollo EPF Advisors IV, L.P.	[]	[]	[]
Apollo Infrastructure Opportunities Advisors II, L.P.	[]	[]	[]
Apollo Accord+ Advisors, L.P.	[]	[]	[]

Vesting Commencement Date []

Vesting Schedule []

Capital Commitment for ACA Points []

Profits Interests

For each component Partnership that issues direct points to you in respect of your ACA Points, you will be entitled to share in distributions on such direct points only to the extent that amounts received by each such Partnership are determined to be (a) sourced out of appreciation in the assets of the Fund entities after the date hereof or (b) otherwise consistent with the treatment of your direct points as profits interests for U.S. federal income tax purposes. Subject to the foregoing, your share of future distributions received by a Partnership after the date of this Award Letter will be calculated as if you had held your direct points since [____].

Distributions and Vesting

You will share in distributions (or receive notional payments) made with respect to each Partnership on a pro rata basis with the Partnership's other pointholders until the date when you give or receive notice of resignation or termination of employment or service with Apollo or the date of your death or disability (referred to as the date you become a "Retired Partner" under the partnership agreements governing certain of your ACA Points, and referred to herein as the "***Vesting End Date***"). Thereafter, you will share in distributions or receive notional payments only with respect to your vested ACA Points. For the avoidance of doubt, there will be no prorated vesting for any partial calendar quarter of service.

From and after your Vesting End Date, any unvested ACA Points (including those not eligible for vesting) are forfeited, and you will retain only ACA Points that have vested for each component Partnership.

If your Vesting End Date occurs before the [____] anniversary of your first day of service to Apollo (other than by reason of death or disability), no ACA Points will vest.

If your Vesting End Date occurs as a result of death or disability prior to the [____] anniversary of your Vesting Commencement Date, an additional number of ACA Points shall vest equal to [____] between (a) the amount then vested based on [____] vesting schedule, and (b) [____] of the ACA Points awarded for each component Partnership.

If you receive notice of termination from Apollo as a result of a Bad Act or your breach of a restrictive covenant to which you are subject at any time, no ACA Points will vest, and all ACA Points (including previously vested ACA Points, if any) will be forfeited retroactive to the date of the first occurrence of the Bad Act or breach.

In order to ensure timing of deal resolutions does not produce inequitable economic overtures, the Partnerships have authority in various deals to delay or reallocate distributions (which may also affect related notional payments).

Fund Clawback; Corporate Clawback Policy

You will be responsible for a pro rata share of any clawback obligation owed by any of the Partnerships for the benefit of applicable Fund investors at the end of the applicable Fund's life. Your share of any clawback obligation with respect to any Fund is calculated separately on the basis of the amount of distributions or payments received by you only with respect to the vehicle giving rise to the clawback obligation, without taking into account distributions or payments received by you with respect to any other vehicle. Your ACA Documents related to each Partnership include both a personal guarantee of the clawback obligation and/or an "**SRA**", which is a reimbursement agreement for the benefit of the Apollo entity that has provided a guarantee to investors for the full amount of any clawback, in each case relating to your pro rata share of any clawback payment. The SRA permits Apollo to hold back amounts that would otherwise be distributable or payable to you whenever it determines that a clawback would be due to any Fund investors on a pro forma basis assuming liquidation of the applicable Fund at fair value as of a recent valuation date. The SRA also permits Apollo to satisfy your share of any clawback obligation from any amounts due to you from other entities controlled by Apollo.

To the extent mandated by applicable law, stock exchange or accounting rule and/or set forth in a written clawback policy adopted by Apollo, amounts distributed or paid in respect of ACA Points may be subject to clawback by Apollo under such law, rule and/or policy and, accordingly, you may be required to refund such amounts to Apollo.

Additional Terms and Conditions

Restrictive Covenants: As a condition of the receipt and retention of your ACA Points, you agree to comply with your contractual restrictive covenants in favor of Apollo, including any that were entered into as part of Apollo's standard Covenants Agreement applicable to your region.

No Mandatory Holdback for Purchase of Company Shares : Distributions or payments in respect of your ACA Points will not be held back for the purchase of shares of the Company.

Accord Notional Points: Payments related to your Accord Notional Points are subject to additional terms in the Accord+ Notional Bonus Plan, the terms of which are incorporated herein by reference.

Dilution and Designated Points: Generally, ACA Points will not be diluted as a result of new points issued by the Partnerships to Team Members (as defined in the applicable Partnership agreements). However, awards of certain "designated points" or "designated investment distributions" in the Partnerships that entitle recipients to carried interest distributions or related payments derived from specific portfolio investments ("**Designated Points**") dilute all life of fund points, including but not limited to ACA Points on a pro rata basis with respect to distributions or payments related to the relevant Fund portfolio investment. You may be required to return distributions or payments made with respect to your ACA Points to the extent subsequently determined to be necessary to satisfy obligations associated with an award of Designated Points.

Strategic Partnerships: Apollo may form special purpose vehicles (each, a "**Strategic Partnership**") to enable one or more strategic partners to invest in or alongside one or more Apollo funds or products, including the Funds, on customized terms. If a Partnership derives any carried interest or similar performance compensation from a Strategic Partnership that is attributable to an investment in or alongside a Fund, you will not share in any such carried interest or similar performance compensation derived from any such Strategic Partnership in respect of your ACA Points.

Execution and Delivery of Documents, Governing Law and Miscellaneous

Your receipt and retention of your ACA Points is contingent on your satisfaction of the signing requirements indicated on the ACA Document Checklist and the terms and conditions set forth herein and in the ACA Documents, including any annexes or exhibits attached hereto or thereto. Your admission to each Partnership from which you will receive direct points as a limited partner will take effect upon your execution of your signed ACA Participant Execution Page below. This Award Letter is governed by and is to be construed in accordance with the laws of the State of New York without regard to the principles of conflicts of laws that would cause the laws of another jurisdiction to apply. This Award Letter is binding on and enforceable against Apollo Management Holdings, L.P. (in respect of Accord Notional Points and all related matters set forth herein), each Partnership from which you receive direct points (in respect of the direct points associated with such Partnership and all related matters set forth herein) and you. Except as otherwise described herein and in the ACA Documents, this Award Letter may be amended only with the consent of each party hereto. This Award Letter may be executed by electronic signature and in one or more counterparts, all of which constitute one and the same instrument.

You must file the Section 83(b) Election Forms provided as part of your ACA Documents with the IRS at the address indicated on the Section 83(b) Election Forms, not later than [____]. We encourage you to consult with your individual tax advisors with respect to the potential tax consequences of becoming a limited partner in each Partnership.

Please review each document described in the attached ACA Document Checklist. If you have any questions, please contact Employee Investor Services at [____].

Thank you for being part of Apollo's team.

Very truly yours,

Solely in respect of your Points in Apollo Advisors IX, L.P.:

Name:
Title:

Solely in respect of your Account Points in HVF Advisors II:

Name:
Title:

Solely in respect of your Account Points in EPF Advisors IV:

Name:
Title:

Solely in respect of your Points in Apollo Infrastructure Opportunities Advisors II, L.P.:

Name:
Title:

Solely in respect of your Accord Notional Points:

Name:
Title:

ACA: Participant Execution Page

The undersigned acknowledges receipt of the following agreements, including any annexes or exhibits thereto (all such documents together with the Award Letter constitute “*ACA Documents*”):

<u>Partnership</u>	Apollo Advisors IX, L.P.	Apollo Hybrid Value Advisors II, L.P.	Apollo Infrastructure Opportunities Advisors II, L.P.	Apollo EPF Advisors IV, L.P.	Apollo Accord+ Advisors, L.P.
<u>ACA Documents</u>	Award Letter	Award Letter	Award Letter	Award Letter	Award Letter
	Exempted Limited Partnership Agreement	Exempted Limited Partnership Agreement	Exempted Limited Partnership Agreement	Exempted Limited Partnership Agreement and Term Sheet (attached as Annex B hereto)	Accord+ Notional Bonus Plan
	Clawback Guarantee	Clawback Guarantee	Clawback Guarantee	Clawback Guarantee	Secured Reimbursement Agreement
	Secured Reimbursement Agreement	Secured Reimbursement Agreement	Secured Reimbursement Agreement	Secured Reimbursement Agreement	

This execution page constitutes a counterpart signature page to each of the ACA Documents. The undersigned hereby undertakes and agrees to join in, adhere to and be bound by each of the ACA Documents, with effect from the date of the Award Letter. Without limitation to the foregoing, the undersigned hereby confirms the power of attorney granted in the limited partnership agreements of Apollo Advisors IX, L.P., Apollo EPF Advisors IV, L.P., Apollo Hybrid Value Advisors II, L.P. and Apollo Infrastructure Opportunities Advisors II, L.P. to which it adheres, as if such power of attorney were set forth in full herein.

In addition, by signing this execution page, and as a condition of the payment to you of any payments under the Accord+ Notional Bonus Plan, you acknowledge and agree that your Accord Notional Points are subject to the Accord+ Notional Bonus Plan as may be amended or modified from time to time in accordance with its terms.

This execution page shall be governed by the laws of the State of New York.

Name of Participant:	_____
Signature of Participant:	_____

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Accord+ Notional Bonus Plan

Plan Description

The purpose of this Accord+ Notional Bonus Plan (this “Plan”) is to allow certain select employees of Apollo Management Holdings, L.P. (the “Employer”) who will make contributions to the future success of Accord+ (as defined below) to participate in this Plan and receive bonus payments on the terms set forth in this Plan and each such selected individual’s award letter (“Award Letter”). Any such individual selected by the Employer to receive an award under the Plan is referred to as a “Participant”.

Periodic payment entitlements under this Plan are denominated in “Notional Points,” each of which is indexed in the manner described below to a share of carried interest amounts earned from Accord+ by Accord+ GP (as defined below) and distributed by Accord+ GP to its partners. “Accord+” refers to Apollo Accord+ Fund, L.P., Apollo Accord+ Aggregator A, L.P. and any of their parallel vehicles or alternative investment vehicles that distributes carried interest amounts to Accord+ GP. “Accord+ GP” refers to Apollo Accord+ Advisors, L.P., together with each parallel vehicle or other special purpose vehicle that earns carried interest from Accord+.

Participants are not admitted to Accord+ GP as partners; Notional Point Awards

Notional Points do not and are not intended to convey any ownership interest in Accord+ GP or any other entity, but merely represent an unfunded and unsecured promise to deliver cash and/or other assets in the future in accordance with the terms and conditions of this Plan and each Award Letter.

Payments in respect of Notional Points are payments of discretionary performance compensation additional to a Participant’s base salary. The value of any Notional Points, and the amount of any payments with respect thereto, will depend on numerous factors, including but not limited to relevant market conditions, the performance of Accord+ and its underlying investments, and the performance of the Employer’s other employees. All payments issued under the Plan and any Award Letter shall be contingent on the clawback terms set forth in each Award Letter (even after such amounts are paid to a Participant), and no amounts will be fully earned or crystalized hereunder until the expiration of any applicable clawback period. Each Participant authorizes the clawback described in their Award Letters to the fullest extent permitted by law.

Payments hereunder represent an extraordinary item of income additional to a Participant’s normal or expected compensation or LLP member share of profits and are subject to applicable withholding. A Participant’s entitlement to payments with respect to their Notional Points is also contingent upon their remaining in good standing during employment.

Each Participant's Award Letter sets forth the number of Notional Points being awarded to them, and the Award Letter describes any additional terms and conditions applicable to the receipt of Notional Points. Each Participant's Notional Points may be reduced or otherwise subject to dilution as described herein or in a Participant's Award Letter.

Payments Generally and Payment Condition

Subject to the terms and conditions specified herein and in any applicable Award Letter, including any vesting conditions, each Participant will be entitled to receive quarterly payments (each, a "Quarterly Payment") in amounts determined quarterly for the period commencing on the date of such Participant's Award Letter and ending on the last day of the calendar quarter during which the Award Letter was issued, and each calendar quarter thereafter (each such period, a "Measurement Quarter"). The amount payable to each Participant for any Measurement Quarter will be equal to the Index Value (as defined below) for such Measurement Quarter multiplied by such Participant's total Notional Points (as adjusted for vesting following a Participant's "Vesting End Date" (as defined in each Participant's Award Letter), if applicable, and as described below).

The "Index Value" for each Measurement Quarter is equal to [] of the total amount of all distributions made by Accord+ GP to its partners during such Measurement Quarter. For all distributions made by Accord+ GP prior to a Participant's Vesting End Date, such Participant will receive payment with respect to such distribution based on their total Notional Points. For all such distributions made on or after a Participant's Vesting End Date, such Participant will receive payment with respect to such distribution based on their vested Notional Points (calculated in accordance with the vesting formulas in the Participant's Award Letter).

Notwithstanding the foregoing, payments with respect to any Measurement Quarter shall, at all events, be subject to attainment of the Payment Condition (as defined below) with respect to such Measurement Quarter. If the Payment Condition is not attained with respect to any Measurement Quarter, no payments shall be made, or otherwise accrued or carried forward, in respect of such Measurement Quarter. The "Payment Condition" means, for any Measurement Quarter, either (i) with respect to each Participant, such Participant continues to be employed by and in good standing with (and has not given or been provided a notice of termination of employment, or died or become Disabled (as defined in the AGM 2019 Omnibus Equity Incentive Plan (or successor thereto)) the Employer or any Affiliate (as defined below) through the last day of the Measurement Quarter or (ii) [].

For any Measurement Quarter in which the Index Value is a positive amount and for which the Payment Condition has been satisfied, the Quarterly Payment will be made to Participants within 75 days following the end of such Measurement Quarter. The timing and amount of all payments are subject to applicable laws and regulations and the applicable compliance policies of AGM and its Affiliates. Payments generally will be made in cash. However, if any distribution by Accord+ GP to its partners is made in kind rather than in cash, payment to Participants of a corresponding portion of the Index Value for the relevant Measurement Quarter may be made either in kind or in cash, as determined by the Employer.

Vesting

As of a Participant's Vesting End Date, such Participant will retain only vested Notional Points based on the vesting formulas described in the Participant's Award Letter and, any unvested Notional Points shall be forfeited. For each distribution during any Measurement Quarter occurring on or after a Participant's Vesting End Date, the portion of the Index Value attributable to such Participant is adjusted to reflect such Participant's vested Notional Points.

Designated Investment Distributions

Accord+ GP, the Employer or any of their Affiliates may enter into an agreement pursuant to which a person or entity other than AGM or a subsidiary of AGM would receive payments or distributions relating to one or more, but not all, specified portfolio investments of Accord+, that would be made with priority over other payments or distributions with respect to the same portfolio investment for Participants or other notional or direct point holders (a "Designated Investment Distribution"). In the event of a Designated Investment Distribution, the Index Value will be reduced by the amount of the Designated Investment Distribution for the relevant portfolio investment. In furtherance of the foregoing, the Employer shall be entitled to make equitable adjustments that it determines in its sole discretion to be appropriate to give effect to the foregoing, including, without limitation, requiring Participants to return all or a portion of any payments previously made under this Plan to fund the payment of any such Designated Investment Distributions.

Certain Tax Matters

All payments arising from Notional Points shall be payable through payroll and be treated as compensation for services under applicable law, to the extent applicable, and as W-2 compensation for all U.S. federal income tax purposes and shall be subject to applicable withholding in accordance with usual payroll practices.

Compliance with Law

Each award of Notional Points and the timing and amount of any payments made with respect to Notional Points are subject to compliance with applicable laws and regulations and the compliance policies of AGM and its Affiliates. The Employer or its designee will have full discretionary authority to make any adjustments to the terms of this Plan and any Award Letter to the extent deemed advisable for compliance purposes. Notwithstanding the foregoing, neither AGM nor any of its Affiliates shall have any liability to any Participant for any failure of the program described in this Plan to satisfy any applicable law or regulation.

Administration

This Plan and any Award Letter can be modified, changed or terminated at any time if such adjustment is necessary or advisable in light of tax, accounting or regulatory considerations (including as a result of changes in law), as determined by the Employer. The Employer has the sole discretion to construe, interpret, and apply the Plan and any Award Letter, including but not limited to (i) the terms of the Plan and any Award Letter regarding a Participant's eligibility for any award, (ii) the issuance, vesting, dilution, and/or forfeiture of any Notional Points, (iii) the payments issued in connection with any Notional Points, and/or (iv) the clawback of any payments. The Employer's determinations regarding this Plan, any Award Letter, and any Notional Points shall be final, binding and conclusive on all persons and

entities to the maximum extent permissible under law, and any reviewing arbitrator (and/or court) shall defer to the determinations of the Employer to the maximum extent allowable. All powers and authority vested in the Employer in connection with any aspect of this Plan or the payments described herein are to be construed as authorizing the Employer to act in its sole and absolute discretion, taking into account any considerations that it considers relevant (including the interests of AGM and its stakeholders), without any implied fiduciary or other duty other than the contractual duty of good faith and fair dealing. There is no obligation for uniformity of treatment of Participants in the Plan.

ERISA

This Plan is designed to provide an on-going, pecuniary incentive for Participants to produce their best efforts to increase the value of the Employer and Accord+. The Plan is not intended to provide retirement income or to defer the receipt of payments hereunder to the termination of a Participant's employment or beyond. The Plan is thus intended to be a cash bonus program (as described in the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), Regulation Section 2510.3-2(c) or any successor thereto), and not a pension or welfare benefit plan that is subject to ERISA, and shall be construed accordingly. All interpretations and determinations hereunder shall be made on a basis consistent with the Plan's status as a bonus program that is not an employee benefit plan subject to ERISA.

Governing Law; Dispute Resolution

This Plan (and any Award Letter, in respect of Notional Points and all related matters set forth herein) shall be governed by and construed in accordance with the laws of the State of New York without regard to the principles of conflicts of laws that would cause the laws of another jurisdiction to apply. Any dispute, controversy, suit, action or proceeding arising out of or relating to this Plan (or any Award Letter, in respect of Notional Points and all related matters set forth herein) will be settled exclusively by arbitration, conducted before a single arbitrator in New York County, New York (applying New York law) in accordance with, and pursuant to, the applicable rules of JAMS ("JAMS"). The arbitration shall be conducted on a strictly confidential basis, and none of the parties shall disclose the existence of a claim, the nature of a claim, any documents, exhibits, or information exchanged or presented in connection with such a claim, or the result of any action, to any third party, except as required by law, with the sole exception of their legal counsel and parties engaged by that counsel to assist in the arbitration process, who also shall be bound by these confidentiality terms. The decision of the arbitrator will be final and binding upon the parties. Any arbitral award may be entered as a judgment or order in any court of competent jurisdiction. Both the Employer and each Participant may commence litigation in court to obtain injunctive relief in aid of arbitration, to compel arbitration, or to confirm or vacate an award, to the extent authorized by the United States Federal Arbitration Act or the New York Arbitration Act. The party that is determined by the arbitrator not to be the prevailing party will pay all of the JAMS administrative fees, the arbitrator's fees and expenses. If neither party is so determined, such fees shall be shared. Each party shall be responsible for such party's attorneys' fees. IF THIS AGREEMENT TO ARBITRATE IS HELD INVALID OR UNENFORCEABLE THEN, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH PARTICIPANT AND THE EMPLOYER WAIVE AND COVENANT THAT EACH SUCH PARTICIPANT AND THE EMPLOYER WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS PLAN, WHETHER NOW OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AND AGREE THAT ANY OF THE EMPLOYER OR ANY OF ITS AFFILIATES OR A PARTICIPANT MAY

FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE EMPLOYER AND ITS AFFILIATES, ON THE ONE HAND, AND SUCH PARTICIPANT, ON THE OTHER HAND, IRREVOCABLY TO WAIVE THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING WHATSOEVER BETWEEN SUCH PARTIES ARISING OUT OF OR RELATING TO THIS PLAN (AND ANY AWARD LETTER) AND THAT ANY PROCEEDING PROPERLY HEARD BY A COURT UNDER THIS PLAN WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

Nothing in the preceding paragraph will prevent the Employer or an Affiliate from applying to a court for preliminary or interim relief or permanent injunction in a judicial proceeding (e.g., injunction or restraining order), in addition to and not in lieu of any other remedy to which it may be entitled at law or in equity, if such relief from a court is necessary to preserve the status quo pending resolution or to prevent serious and irreparable injury in connection with any breach or anticipated breach of any restrictive covenants by a Participant; provided, that all parties explicitly waive all rights to seek preliminary, interim, injunctive or other relief in a judicial proceeding and all persons and entities submit to the exclusive jurisdiction of the forum described in the preceding paragraph for any dispute or claim concerning continuing entitlement to distributions or other payments related to this Plan, even if such dispute or claim involves or relates to any restrictive covenants to which a Participant is subject. For the purposes of this paragraph, the Employer, all Participants and all other relevant persons and entities consent to the exclusive jurisdiction and venue of the state and federal courts within the County of New York in the State of New York.

Miscellaneous

As used in this Plan, the term “Affiliate” means with respect to any person or entity, any other person or entity directly or indirectly controlling, controlled by or under common control with such person or entity. Except as the context otherwise requires, the term “Affiliate” in relation to AGM includes each collective investment fund and other client account sponsored or managed by AGM or its affiliated asset management entities, but, in each case, does not include portfolio companies of Accord⁺.

A Participant’s rights in respect of any Notional Points shall not be salable, transferable, pledgeable or otherwise assignable, in whole or in part, by the voluntary or involuntary acts of any person or entity, or by operation of law, and shall not be liable or taken for any obligation of such person or entity. Any such attempted grant, transfer, pledge or assignment shall be null and void and without any legal effect.

This Plan is not to be construed as creating a trust, partnership, or other association. This Plan has no assets, and Notional Points are not to be treated as property or as a trust fund of any kind. References to Notional Points are solely as a device for the determination of any payments to be made. Participants will have only the rights of a general unsecured creditor of the Employer with respect to amounts credited and payable, if any, under this Plan in respect of Notional Points, and rights no greater than the right to receive any such amounts as a general unsecured creditor with respect to such amounts, as and when payable hereunder.

No officer, director, employee or agent of AGM or any of its Affiliates shall be personally liable for any action, omission, determination, or interpretation taken or made with respect to this Plan, any payment in respect of Notional Points, or any associated documentation.

The Employer may decide to deliver any documents related to this Plan, any payment in respect of Notional Points, and any associated documentation by electronic means or to request a Participant's consent to participate in any of the foregoing by electronic means. Each Participant consents to receive such documents by electronic delivery and, if requested, will agree to participate therein through an online or electronic system established and maintained by AGM or a third party designated thereby.

This Plan, each Award Letter, any payment made in respect of Notional Points and related documentation and rights are intended to be exempt from Section 409A of the U.S. Internal Revenue Code of 1986, as amended ("Code Section 409A"), or, if and to the extent subject to Code Section 409A, to comply therewith. Accordingly, to the maximum extent permitted, such documents shall be interpreted and be administered to be in compliance with Code Section 409A. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Code Section 409A, a Participant's final day of employment by or service to the Employer or any of its Affiliates shall be the date that the Participant would be considered to have incurred a "separation from service" from the Employer or any of its Affiliates within the meaning of Code Section 409A. Any payments that are due within the "short-term deferral period" or fall within the "separation pay exemption" within the meaning of Code Section 409A shall not be treated as deferred compensation unless applicable law requires otherwise. Each amount to be paid to a Participant under this Plan, an Award Letter or otherwise that constitutes deferred compensation subject to Code Section 409A shall be construed as a separate payment for purposes of Code Section 409A. Notwithstanding anything to the contrary in this Plan, an Award Letter or related documentation, to the extent that any payments to be made upon a Participant's separation from service would result in the imposition of any individual penalty tax imposed under Code Section 409A on account of the Participant's being a "specified employee" within the meaning of Code Section 409A, the payments shall instead be made on the first business day after the earlier of (a) the date that is six months following such separation from service and (b) the Participant's death. For purposes of clarity, following a Participant's Vesting End Date, the ability of non-service based performance vesting to constitute a substantial risk of forfeiture is a material feature of Code Section 409A for purposes of this Plan and therefore, this Plan and any Award Letter are subject to termination without any consideration paid in respect thereof if such feature is impaired or eliminated as a result of a change in law or its interpretation. In no event shall AGM or any of its Affiliates (or any employee, officer, director, partner, principal, member, shareholder, representative, or agent thereof) have any liability to a Participant or any other person or entity due to any failure of this Plan, an Award Letter, or any associated documentation to satisfy the requirements of Code Section 409A, and the relevant Participant shall indemnify AGM and its Affiliates (and any agent thereof), and hold them all harmless (including with respect to their attorneys' fees and costs) if such Participant or its representatives allege any such liability.

Except as otherwise provided in this Plan or as may be necessary to comply with applicable law, and except with respect to any clawback or indemnification obligations set forth herein or in a Participant's Award Letter, this Plan will terminate when all Notional Points have been forfeited or the obligations under this Plan have been satisfied in full.

With respect to each Participant, this Plan will take effect upon the Participant's delivery to the Employer of a signed Award Letter. This Plan and each Award Letter are binding on and enforceable against the Employer and each relevant Participant.

[End of Plan]

EXECUTION VERSION

This exempted limited partnership is the general partner or special limited partner of each Fund (as defined herein), and earns the “carried interest” on the Funds’ profits.

Apollo EPF Advisors IV, L.P.

Amended and Restated Exempted Limited Partnership Agreement

Dated March 27, 2023
with a deemed effective date as among the parties hereto of December 23, 2021

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APOLLO EPF ADVISORS IV, L.P.

A Cayman Islands Exempted Limited Partnership

AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT

This AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT of APOLLO EPF ADVISORS IV, L.P. is dated March 27, 2023 with a deemed effective date as among the parties hereto of December 23, 2021, agreed by and among Apollo EPF IV Capital Management, LLC, a Cayman Islands limited liability company, as the sole general partner, and the persons whose names and addresses are set forth in the Schedule of Partners under the caption “Limited Partners” as the limited partners.

W I T N E S S E T H :

WHEREAS, on May 4, 2021, the General Partner filed with the Registrar a statement (the “Section 9 Statement”) under section 9 of the Partnership Act (as defined below) to form the Partnership as an exempted limited partnership under the Partnership Act;

WHEREAS, the General Partner and APH Holdings (DC), L.P., as the initial limited partner (the “Initial Limited Partner”), entered into the Initial Exempted Limited Partnership Agreement of the Partnership, dated May 4, 2021 (the “Original Agreement”);

WHEREAS, in connection with the admission of additional Limited Partners, the parties wish to amend and restate the Original Agreement in its entirety to reflect certain matters as set forth herein.

NOW, THEREFORE, the parties hereby agree and hereby amend and restate the Original Agreement in its entirety as follows:

**ARTICLE 1
DEFINITIONS**

Capitalized terms used but not otherwise defined herein have the following meanings:

“*Account Points*” has the meaning ascribed to that term in the Award Letters.

“*AEOP*” means (a) legislation known as the U.S. Foreign Account Tax Compliance Act, sections 1471 through 1474 of the Code and any associated legislation, regulations (whether proposed, temporary or final) or guidance, any applicable intergovernmental agreement and related statutes, regulations or rules, and other guidance thereunder, (b) any other similar legislation, regulations, or guidance enacted in any other jurisdiction which seeks to implement similar financial account information reporting and/or withholding tax regimes, including the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters– the Common Reporting Standard and any associated guidance, (c) any other intergovernmental agreement, treaty, regulation, guidance, standard or other agreement entered into in order to comply with, facilitate, supplement or implement the legislation, regulations, guidance or

standards described in clauses (a) and (b) of this definition, and (d) any legislation, regulations or guidance in any jurisdiction that give effect to the matters outlined in the preceding clauses of this definition.

“*Affiliate*” means with respect to any Person any other Person directly or indirectly controlling, controlled by or under common control with such Person. Except as the context otherwise requires, the term “*Affiliate*” in relation to AGM includes each collective investment fund and other client account sponsored or managed by AGM or its affiliated asset management entities, but, in each case, does not include issuers of Portfolio Investments.

“*AGM*” means Apollo Global Management, Inc., a Delaware corporation.

“*Agreement*” means this Amended and Restated Exempted Limited Partnership Agreement of the Partnership, as amended, restated or supplemented from time to time.

“*Alternative GP Vehicle*” has the meaning ascribed to that term in Section 3.9.

“*APH*” means (a) APH Holdings (DC), L.P., a Cayman Islands exempted limited partnership, and (b) any other entity formed by AGM or its Affiliates that holds Points, in its capacity as a Limited Partner, for the benefit (directly or indirectly) of (i) AGM or (ii) employees or other service providers of Affiliates of AGM.

“*Award Letter*” means, with respect to any Limited Partner, the letter agreement between the Partnership and such Limited Partner setting forth such Limited Partner’s Points and other terms and conditions related to the Points award, and shall include any exhibits and annexes attached thereto.

“*Bad Act*” has the meaning ascribed to that term in Annex A hereto.

“*BBA Audit Rules*” means sections 6221 through 6241 of the Code, as amended from time to time, and the Treasury Regulation (whether proposed, temporary or final), including any subsequent amendments and administrative guidance, promulgated thereunder (or which may be promulgated in the future), together with any similar United States state, local or non-U.S. law.

“*Book-Tax Difference*” means the difference between the Carrying Value of each asset referred to in the definition of Carrying Value and its adjusted tax basis for United States federal income tax purposes, as determined at the time of any of the events described in the definition of Carrying Value. The General Partner shall maintain an account in the name of each Limited Partner that reflects such Limited Partner’s share of any Book-Tax Difference. Book-Tax Difference shall be allocated to the Limited Partners in accordance with Points immediately prior to the relevant event described in the definition of Carrying Value, and the Newly-Admitted Limited Partner’s share of any such Book-Tax Difference shall be zero. If the amount of the Book- Tax Difference with respect to any Partnership asset as of any determination date (the “current determination date”) is less than the amount of such Book-Tax Difference as determined as of the most recent prior determination date (the “prior determination date”), the General Partner has the discretion (but not the obligation) to make either of the following adjustments:

- (1) with respect to all Partners who were previously allocated a share of the Book-Tax Difference as of the prior determination date, to reduce their respective shares of such

prior Book-Tax Difference by substituting the Book-Tax Difference as of the current determination date in place of the prior Book-Tax Difference, and to make corresponding reductions to the Catch Up Amounts previously applicable to any Newly-Admitted Limited Partners based on the Book-Tax Difference as of the prior determination date; or

- (2) for purposes of calculating and allocating the Book-Tax Difference as of the current determination date and the corresponding Catch Up Amounts applicable with respect to any Newly-Admitted Limited Partner being admitted as of the current determination date, to adopt the Book-Tax Difference as of the prior determination date rather than applying the Book-Tax Difference as of the current determination date (unless the adjustment contemplated by the preceding clause is being adopted with respect to all Partners).

The General Partner may establish a current determination date in order to implement the operation of clause (1) at a time other than a required determination date.

“*Business Day*” means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

“*Capital Account*” means with respect to each Partner the capital account established and maintained on behalf of such Partner as described in Section 3.3.

“*Capital Loss*” means, for each Fund with respect to any Fiscal Year, the portion of any Net Loss and any Portfolio Investment Loss allocable to the Partnership, but only to the extent such allocation is made by the relevant Fund to the Partnership in proportion to the Partnership’s capital contribution to such Fund, as determined pursuant to the relevant Fund LP Agreement.

“*Capital Profit*” means, for each Fund with respect to any Fiscal Year, the portion of any Net Income and any Portfolio Investment Gain allocable to the Partnership, but only to the extent such allocation is made by the relevant Fund to the Partnership in proportion to the Partnership’s capital contribution to such Fund, as determined pursuant to the relevant Fund LP Agreement.

“*Carrying Value*” means, with respect to (i) the Partnership’s indirect interest in a Fund asset attributable to the Partnership’s interest in such Fund and (ii) any Partnership asset other than the interest in a Fund, the asset’s adjusted basis for United States federal income tax purposes, except that the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values (as determined by the General Partner), in accordance with the rules set forth in Treasury Regulation section 1.704-1(b)(2)(iv)(f) (without regard to whether the book basis of the Partnership’s assets is adjusted for such difference for purposes of sections 704(b) and (c) of the Code), except as otherwise provided herein, immediately prior to: (a) the date of the acquisition of any interests in the Partnership by any new Partner or of any additional interests by any existing Partner in exchange for more than a de minimis capital contribution; (b) the date of the distribution of more than a de minimis amount of any Partnership asset to a Partner, including cash as consideration for an interest in the Partnership; (c) the date of the grant of more than a de minimis profits interest in the Partnership as consideration for the provision of

services to or for the benefit of the Partnership by an existing Partner, or by a new Partner acting in his capacity as a Partner or in anticipation of becoming a Partner; or (d) the liquidation of the Partnership within the meaning of Treasury Regulation section 1.704-1(b)(2)(ii)(g); provided, that any adjustment pursuant to clauses (a), (b) and (c) above shall be made only if the General Partner reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately prior to such distribution to equal its fair market value (as determined by the General Partner). The Carrying Value of any asset contributed by a Partner to the Partnership shall be the fair market value (as determined by the General Partner) of the asset at the date of its contribution.

“*Catch Up Amount*” means the product derived by multiplying (a) the amount of any positive Book-Tax Difference present on the admission to the Partnership of a Newly-Admitted Limited Partner by (b) the percentage derived by dividing the number of Account Points issued to the Newly-Admitted Limited Partner, by the aggregate number of Account Points on the date the Newly-Admitted Limited Partner is admitted to the Partnership. The General Partner shall maintain an account in the name of each Newly-Admitted Limited Partner that reflects such Limited Partner’s Catch Up Amount, which shall be subject to adjustment as contemplated by the last two sentences in the definition of Book-Tax Difference (and on dispositions of the assets with such Book-Tax Difference for less than their Carrying Value as of a prior determination date), and which may be further adjusted to the extent the General Partner determines is necessary to cause the Catch Up Amount to be equal to the amount necessary to provide such Limited Partner with a requisite share of Partnership capital based on such Limited Partner’s Points in accordance with the terms of this Agreement and any side letter or similar agreement entered into by such Limited Partner pursuant to Section 9.1(b).

“*Clawback Obligation*” has the meaning ascribed to that term in the Award Letters. “*Clawback Share*” means a Limited Partner’s pro rata share of any Clawback Obligation. “*Co-Investors (A)*” means Apollo EPF Co-Investors IV (A), L.P., a Cayman Islands exempted limited partnership.

“*Co-Investors (A) Partnership Agreement*” means the amended and restated exempted limited partnership agreement of Co-Investors (A), as amended from time to time.

“*Code*” means the United States Internal Revenue Code of 1986, as amended and as hereafter amended, or any successor law.

“*Covered Person*” has the meaning ascribed to that term in Section 5.7. “*Designated Points*” has the meaning ascribed to that term in the Award Letters.

“*Diluted Limited Partner*” means, with respect to each Newly-Admitted Limited Partner, the Partner or Partners from whom or from which the Points allocated to such Newly-Admitted Limited Partner(s) were reallocated.

“*Disability*” has the meaning ascribed to that term in the Apollo Global Management, Inc. 2019 Omnibus Equity Incentive Plan (or any successor thereto).

“Discretionary Points” has the meaning ascribed to that term in the Award Letters.

“EPF IV” means Apollo European Principal Finance Fund IV (Dollar A), L.P., a Cayman Islands exempted limited partnership formed under the Partnership Act.

“Escrow Account” has the meaning ascribed to that term in each of the Fund LP Agreements.

“Final Adjudication” has the meaning ascribed to that term in Section 5.7.

“Fiscal Year” means, with respect to a year, the period commencing on January 1 of such year and ending on December 31 of such year (or on the date of a final distribution pursuant to Section 8.1(a)), unless the General Partner shall elect another fiscal year for the Partnership which is a permissible taxable year under the Code.

“Fund” means each of EPF IV and each “Parallel Fund” within the meaning of the Fund LP Agreement of EPF IV and any “master” partnership or similar vehicle in which any such entity is the sole or principal investor. Such term also includes each alternative investment vehicle and co-investment vehicle created by EPF IV and any such Parallel Fund or “master” partnership, to the extent the context so requires.

“Fund General Partner” means the Partnership in its capacity as a general partner or special limited partner of each Fund pursuant to the Fund LP Agreements.

“Fund LP Agreement” means the limited partnership agreement of a Fund, as amended from time to time, and, to the extent the context so requires, the corresponding constituent agreement, certificate or other document governing such Fund.

“General Partner” means Apollo EPF IV Capital Management, LLC, a Cayman Islands limited liability company, in its capacity as general partner of the Partnership, or any successor to the General Partner in its capacity as general partner of the Partnership.

“Home Address” has the meaning ascribed to that term in Section 9.5.

“JAMS” has the meaning ascribed to that term in Section 9.8(b).

“Limited Partner” means any Person admitted as a limited partner to the Partnership in accordance with this Agreement, including any Retired Partner, until such Person withdraws entirely as a limited partner of the Partnership, in his capacity as a limited partner of the Partnership. All references herein to a Limited Partner shall be construed as referring collectively to such Limited Partner and to each Related Party of such Limited Partner (and to each Person of which such Limited Partner is a Related Party) that also is or that previously was a Limited Partner, except to the extent that the General Partner determines that the context does not require such interpretation as between such Limited Partner and his Related Parties.

“Management Company” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Net Income*” has the meaning ascribed to that term in each of the Fund LP Agreements. “*Net Loss*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Newly-Admitted Limited Partner*” means any Limited Partner whose admission to the Partnership causes an adjustment to Carrying Values pursuant to the definitions of “Carrying Value” and “Book-Tax Difference” (together with other Partners or Retired Partners so treated pursuant to Section 7.3).

“*Notice of Dissolution*” has the meaning ascribed to that term in Section 8.1(c). “*NYUCC*” has the meaning ascribed to that term in Section 6.5(c).

“*Operating Loss*” means, with respect to any Fiscal Year, any net loss of the Partnership, adjusted to exclude (a) any Capital Profit or Capital Loss, and (b) the effect of any reorganization, restructuring or other capital transaction proceeds derived by the Partnership. To the extent derived from a Fund, any items of income, gain, loss, deduction and credit shall be determined in accordance with the same accounting policies, principles and procedures applicable to the determination by the relevant Fund, and any items not derived from a Fund shall be determined in accordance with the accounting policies, principles and procedures used by the Partnership for United States federal income tax purposes.

“*Operating Profit*” means, with respect to any Fiscal Year, any net income of the Partnership, adjusted to exclude (a) any Capital Profit or Capital Loss, and (b) the effect of any reorganization, restructuring or other capital transaction proceeds derived by the Partnership. To the extent derived from a Fund, any items of income, gain, loss, deduction and credit shall be determined in accordance with the same accounting policies, principles and procedures applicable to the determination by the relevant Fund, and any items not derived from a Fund shall be determined in accordance with the accounting policies, principles and procedures used by the Partnership for United States federal income tax purposes.

“*Original Agreement*” has the meaning ascribed to that term in the Recitals.

“*Partner*” means the General Partner or any of the Limited Partners, and “*Partners*” means the General Partner and all of the Limited Partners.

“*Partnership*” means Apollo EPF Advisors IV, L.P., the Cayman Islands exempted limited partnership continued pursuant to this Agreement.

“*Partnership Act*” means the Exempted Limited Partnership Act (as amended) of the Cayman Islands, or any successor law.

“*Partnership Representative*” means the General Partner acting in the capacity of the “partnership representative” (as such term is defined under the BBA Audit Rules) or such other Person as is appointed to be the “partnership representative” (including, without limitation, a “designated individual” within the meaning of Treasury Regulation section 301.6223-1(b)(3) or any successor provision) by the General Partner from time to time.

“*Person*” means any individual, partnership (whether or not having separate legal personality), corporation, limited liability company, joint venture, joint stock company, unincorporated organization or association, trust (including the trustees thereof, in their capacity as such), government, governmental agency, political subdivision of any government, or other entity.

“*Plan Year*” has the meaning ascribed to that term in the Award Letters.

“*Point*” means a share of Operating Profit or Operating Loss, net of amounts distributed in respect of Designated Points. At the time of award, each Point shall be classified as either an Account Point (if it relates to results over the life of the Fund) or a Discretionary Point (if it relates to portfolio investments of the Fund made in a specific Plan Year). Each Discretionary Point shall be designated by reference to a specific Plan Year. The aggregate number of Points available for assignment to all Partners shall be set forth in the books and records of the Partnership.

“*Portfolio Investment*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Portfolio Investment Gain*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Portfolio Investment Loss*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Profits Interest*” has the meaning ascribed to that term in Section 6.1(d)(i).

“*Reference Rate*” means the interest rate announced publicly from time to time by JPMorgan Chase Bank in New York, New York as such bank’s prime rate.

“*Registrar*” means the Registrar of Exempted Limited Partnerships of the Cayman Islands.

“*Related Party*” means, with respect to any Limited Partner:

- (a) any spouse, child, parent or other lineal descendant of such Limited Partner or such Limited Partner’s parent, or any natural Person who occupies the same principal residence as the Limited Partner;
- (b) any trust or estate in which the Limited Partner and any Related Party or Related Parties (other than such trust or estate) collectively have more than 80 percent of the beneficial interests (excluding contingent and charitable interests);
- (c) any entity of which the Limited Partner and any Related Party or Related Parties (other than such entity) collectively are beneficial owners of more than 80 percent of the equity interest; and
- (d) any Person with respect to whom such Limited Partner is a Related Party.

“*Restrictive Covenants*” means the restrictive covenants in favor of AGM or any of its Affiliates to which a Limited Partner is subject.

“*Retired Partner*” means any Limited Partner who has become a retired partner in accordance with or pursuant to Section 7.2.

“*Schedule of Partners*” means a schedule to be maintained by the General Partner showing the information required pursuant to Section 2.8 and the Partnership Act.

“*Section 9 Statement*” has the meaning ascribed to that term in the Recitals.

“*Section 10 Statement*” has the meaning ascribed to that term in Section 2.1.

“*Tax Obligation*” has the meaning ascribed to that term in Section 4.2(a).

“*Team Member*” has the meaning ascribed to that term in the Award Letters.

“*Transfer*” means any direct or indirect sale, exchange, transfer, assignment or other disposition by a Partner of any or all of his interest in the Partnership (whether respecting, for example, economic rights only or all the rights associated with the interest) to another Person, whether voluntary or involuntary.

“*Treasury Regulation*” means the United States income tax regulations promulgated under the Code, as amended.

“*True Up Amount*” means, with respect to each Newly-Admitted Limited Partner, the lesser of:

(a) such Newly-Admitted Limited Partner’s aggregate unpaid Catch Up Amounts in respect of all distributions previously made to the Diluted Limited Partner with respect to Book-Tax Differences; and

(b) the product of (i) the amount, if any, by which (A) the aggregate amount of Operating Profit allocated to the Diluted Limited Partner following the admission of the Newly-Admitted Limited Partner, exceeds (B) the aggregate amount of the Book-Tax Differences arising in connection with such Newly-Admitted Limited Partner’s admission (without taking into account any adjustments made subsequent to such admission); and (ii) such Newly-Admitted Limited Partner’s percent of the aggregate amounts described in clause (a) with respect to all Newly-Admitted Limited Partners with the same Diluted Limited Partner.

“*U.S.*” or “*United States*” means the United States of America.

“*Voting Affiliated Feeder Fund*” has the meaning ascribed to that term in each of the Fund LP Agreements.

ARTICLE 2 CONTINUATION AND ORGANIZATION

Section 2.1 Continuation

The Partnership is hereby continued pursuant to the Partnership Act and this Agreement. The General Partner shall execute, acknowledge and file any statement as may be required by section 10 of the Partnership Act (a “Section 10 Statement”) and any other instruments, documents and certificates which, in the opinion of the Partnership’s legal counsel, may from time to time be required by the laws of the Cayman Islands or any other jurisdiction in which the Partnership shall determine to do business, or any political subdivision or agency thereof, or which such legal counsel may deem necessary or appropriate to effectuate, implement and continue the valid and subsisting existence and business of the Partnership.

Section 2.2 Name

The name of the Partnership shall be “Apollo EPF Advisors IV, L.P.” or such other name as the General Partner hereafter may adopt upon causing an appropriate amendment to be made to this Agreement and a Section 10 Statement to be filed in accordance with the Partnership Act. Promptly thereafter, the General Partner shall send notice thereof to each Limited Partner.

Section 2.3 Office

The registered office and registered agent for service of process on the Partnership shall be at the offices of Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008, Cayman Islands, or at such other place or places in the Cayman Islands as the General Partner may from time to time decide.

Section 2.4 Term of Partnership

(a) The term of the Partnership shall continue until the first to occur of the following, which occurrence will cause the commencement of the winding up of the Partnership:

(i) the completion of the winding up and dissolution (without continuation) of the Funds;

(ii) at any time there are no Limited Partners, unless the business of the Partnership is continued in accordance with the Partnership Act;

(iii) any event that results in the General Partner ceasing to be a general partner of the Partnership under the Partnership Act, provided, that the Partnership shall not be required to be wound up and dissolved in connection with any such event if (A) at the time of the occurrence of such event there is at least one remaining general partner of the Partnership who is hereby authorized to and does carry on the business of the Partnership, or (B) within 90 days after the occurrence of such event, a majority of the Limited Partners agree in writing or vote to continue the business of the Partnership and to the appointment, effective as of the date of such event, if required, of one or more additional general partners of the Partnership; and

(iv) the Grand Court of the Cayman Islands granting an order for the winding up of the Partnership pursuant to Section 36(3) of the Partnership Act.

(b) The parties agree that irreparable damage would be done to the goodwill and reputation of the Partners if any Limited Partner should bring an action to wind-up the Partnership. Care has been taken in this Agreement to provide for fair and just payment in liquidation of the interests of all Partners. Accordingly, to the fullest extent permitted by law, each Limited Partner hereby waives and renounces his right to such an order or to seek the appointment of a liquidator for the Partnership, except as provided herein.

Section 2.5 Purpose of the Partnership

The principal purpose of the Partnership is to act as the sole general partner or special limited partner (as the case may be) of each Fund and certain Voting Affiliated Feeder Funds pursuant to their respective Fund LP Agreements or other governing documents and to undertake such related and incidental activities and execute and deliver such related documents necessary or incidental thereto. The purpose of the Partnership shall be limited to serving as a general partner or special limited partner of direct investment funds, including any of their Affiliates, and the provision of investment management and advisory services.

Section 2.6 Actions by Partnership

The Partnership may execute, deliver and perform, and the General Partner may execute and deliver on behalf of the Partnership, all contracts, agreements and other undertakings, and engage in all activities and transactions as may in the opinion of the General Partner be necessary or advisable to carry out the objects and purposes of the Partnership, without the approval or vote of any Limited Partner.

Section 2.7 Admission of Limited Partners

On the date hereof, the Persons whose names are set forth in the Schedule of Partners under the caption "Limited Partners" shall be admitted to the Partnership or shall continue, as the case may be, as limited partners of the Partnership upon their execution of a counterpart of this Agreement or such other instrument evidencing, to the satisfaction of the General Partner, such Limited Partner's intent to become a Limited Partner. Additional Limited Partners may be admitted to the Partnership in accordance with Section 6.1. Admission as a Limited Partner (including a Limited Partner admitted after the date hereof) will not change a Person's employment status with any Affiliate of the Partnership or make any such Person an employee of the Partnership.

Section 2.8 Schedule of Partners

The General Partner shall cause to be maintained at the principal office of the Partnership or such other place as the Partnership Act may permit, the Schedule of Partners, being a register of limited partnership interests and a record of contribution of the Limited Partners which shall include such information as may be required by the Partnership Act. The General Partner shall from time to time, update the Schedule of Partners as required by the Partnership Act to accurately reflect the information therein and no action of any Limited Partner shall be required to amend or

update the Schedule of Partners. The Schedule of Partners shall not form part of this Agreement. The Schedule of Partners of the Partnership shall be the definitive record of ownership of each limited partnership interest and all relevant information with respect to each Partner. The Limited Partners shall only have the right to inspect the Schedule of Partners upon the prior consent of the General Partner.

Section 2.9 Award Letters

Each Award Letter describes certain terms applicable to Points. References to this Agreement include the Award Letters, which will be applied and interpreted in a manner that is consistent with this Agreement (including Section 3.7) and other ancillary award documents taken as a whole, as relevant to the applicable Limited Partner(s).

ARTICLE 3 CAPITAL

Section 3.1 Contributions to Capital

(a) Subject to the remaining provisions of this Section 3.1, (i) any required contribution of a Limited Partner to the capital of the Partnership shall be as set forth in the Schedule of Partners, and (ii) any such contributions to the capital of the Partnership shall be made as of the date of admission of such Limited Partner as a limited partner of the Partnership and as of each such other date as may be specified by the General Partner. Except as otherwise permitted by the General Partner, all contributions to the capital of the Partnership by each Limited Partner shall be payable exclusively in cash.

(b) The Partnership has made a capital commitment to each Fund. APH will make capital contributions from time to time to the extent necessary to ensure that the Partnership meets its obligations to make contributions of capital to each Fund.

(c) No Partner shall be obligated, nor shall any Partner have any right, to make any contribution to the capital of the Partnership other than as specified in an Award Letter or in this Section 3.1 or, in the case of a Diluted Limited Partner, as required by Section 4.1(e)(iii). No Limited Partner shall be obligated to restore any deficit balance in his Capital Account.

(d) For purposes of determining each Limited Partner's required contribution to the Partnership with respect to any Clawback Obligation, each Limited Partner's allocable share of any Escrow Account, to the extent applied to satisfy such Limited Partner's Clawback Share, shall be treated as if it had been distributed to such Limited Partner and re-contributed by such Limited Partner pursuant to this Section 3.1(d) at the time of such application.

Section 3.2 Rights of Partners in Capital

(a) No Partner shall be entitled to interest on his capital contributions to the Partnership.

(b) No Partner shall have the right to distributions or the return of any contribution to the capital of the Partnership except (i) for distributions in accordance with Section 4.1, or (ii)

upon winding up of the Partnership. The entitlement to any such return at such time shall be limited to the value of the Capital Account of the Partner. The General Partner shall not be liable to any Partner for the return of any such amounts.

Section 3.3 Capital Accounts

(a) The Partnership shall maintain for each Partner a separate Capital Account. In the case of any Partner that has both Account Points and Discretionary Points, the General Partner may maintain separate sub-accounts as if such separate classes of Points were held by two separate and distinct Partners, in which case all references herein to the “Capital Account” of any such Partner shall be interpreted to refer to each of such separate sub-accounts except as the context otherwise requires.

(b) Each Partner’s Capital Account shall have an initial balance equal to the amount of cash and the net value of any securities or other property constituting such Partner’s initial contribution to the capital of the Partnership.

(c) Each Partner’s Capital Account shall be increased by the sum of:

(i) the amount of cash and the net value of any securities or other property constituting additional contributions by such Partner to the capital of the Partnership permitted pursuant to Section 3.1, plus

(ii) in the case of APH, any Capital Profit allocated to its Capital Account pursuant to Section 3.4, plus

(iii) the portion of any Operating Profit allocated to such Partner’s Capital Account pursuant to Section 3.4, plus

(iv) such Partner’s allocable share of any decreases in any reserves recorded by the Partnership pursuant to Section 3.6 and any receipts determined to be applicable to a prior period pursuant to Section 3.6(b), to the extent the General Partner determines that, pursuant to any provision of this Agreement, such item is to be credited to such Partner’s Capital Account on a basis which is not in accordance with the current respective Points of all Partners.

(d) Each Partner’s Capital Account shall be reduced by the sum of (without duplication):

(i) in the case of APH, any Capital Loss allocated to its Capital Account pursuant to Section 3.4, plus

(ii) the portion of any Operating Loss allocated to such Partner’s Capital Account pursuant to Section 3.4, plus

(iii) the amount of any cash and the net value of any property distributed to such Partner pursuant to Section 4.1 or Section 8.1 including any amount deducted pursuant to Section 4.2 from any such amount distributed, plus

(iv) any withholding taxes or other items payable by the Partnership and allocated to such Partner pursuant to Section 4.2, any increases in any reserves recorded by the Partnership pursuant to Section 3.6 and any payments determined to be applicable to a prior period pursuant to Section 3.6(b), to the extent the General Partner determines that, pursuant to any provision of this Agreement, such item is to be charged to such Partner's Capital Account on a basis which is not in accordance with the current respective Points of all Partners.

(e) If securities and/or other property are to be distributed in kind to the Partners or Retired Partners, including in connection with a liquidation pursuant to Section 8.1, they shall first be written up or down to their fair market value as of the date of such distribution, thus creating gain or loss for the Partnership, and the value of the securities and/or other property received by each Partner and each Retired Partner as so determined shall be debited against such Person's Capital Account at the time of distribution.

Section 3.4 Allocation of Profit and Loss

(a) Capital Profit and Operating Profit or Capital Loss and Operating Loss for any Fiscal Year shall be allocated to the Partners so as to produce Capital Accounts (computed after taking into account any other Capital Profit and Operating Profit or Capital Loss and Operating Loss for the Fiscal Year in which such event occurred and all distributions pursuant to Article 4 with respect to such Fiscal Year and after adding back each Partner's share, if any, of Partner Nonrecourse Debt Minimum Gain, as defined in Treasury Regulation sections 1.704 - 2(b)(2) and 1.704 - 2(i), or Partnership Minimum Gain, as defined in Treasury Regulation sections 1.704 - 2(b)(2) and 1.704 - 2(d)) for the Partners such that a distribution of an amount of cash equal to such Capital Account balances in accordance with such Capital Account balances would be in the amounts, sequence and priority set forth in Article 4; provided, that the General Partner may allocate Operating Profit and Operating Loss and items thereof in such other manner as it determines to be appropriate to reflect the Partners' interests in the Partnership, having due regard, among other things, to the segregation of the Points into two separate classes, having distinctive economic attributes, comprising Account Points and Discretionary Points (which in turn are issued in separate series by reference to Plan Year).

(b) To the extent that the allocations of Capital Loss or Operating Loss contemplated by Section 3.4(a) would cause the Capital Account of any Limited Partner to be less than zero, such Capital Loss or Operating Loss shall to that extent instead be allocated to and debited against the Capital Account of the General Partner. Following any such adjustment pursuant to this Section 3.4(b) with respect to any Limited Partner, any Capital Profit or Operating Profit for any subsequent Fiscal Year which would otherwise be credited to the Capital Account of such Limited Partner pursuant to Section 3.4(a) shall instead be credited to the Capital Account of the General Partner until the cumulative amounts so credited to the Capital Account of the General Partner with respect to such Limited Partner pursuant to this Section 3.4(b) is equal to the cumulative amount debited against the Capital Account of the General Partner with respect to such Limited Partner pursuant to this Section 3.4(b).

(c) Each Limited Partner's rights and entitlements as a Limited Partner are limited to the rights to receive allocations and distributions of Capital Profit and Operating Profit expressly

conferred by this Agreement, the Limited Partner's Award Letter and any side letter or similar agreement entered into pursuant to Section 9.1(b) and the other rights expressly conferred by this Agreement, the Limited Partner's Award Letter and any such side letter or similar agreement or required by the Partnership Act, and a Limited Partner shall not be entitled to any other allocations, distributions or payments in respect of his interest, or to have or exercise any other rights, privileges or powers.

Section 3.5 Tax Allocations

(a) For United States federal, state and local income tax purposes, Partnership income, gain, loss, deduction or credit (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in order to reflect the allocations of Capital Profit, Capital Loss, Operating Profit and Operating Loss pursuant to the provisions of Section 3.4 for such Fiscal Year, provided, that any taxable income or loss associated with any Book-Tax Difference shall be allocated for tax purposes in accordance with the principles of section 704(c) of the Code in any such manner (as is permitted under that Code section and the Treasury Regulation promulgated thereunder) as determined by the General Partner.

(b) If any Partner or Partners are treated for United States federal income tax purposes as realizing ordinary income because of receiving interests in the Partnership (whether under section 83 of the Code or under any similar provision of any law, rule or regulation), the issuance of such interests may, in the General Partner's discretion, be treated as a payment of the relevant cash amount by the Partnership to the issued Partner and, subsequently, a contribution of such cash amount by such Partner to the Partnership. Upon such issuance, all Partnership assets may, in the General Partner's discretion, be adjusted to equal their respective fair market values (as determined by the General Partner) in connection with such issuance and, immediately following such issuance, no Book-Tax Difference shall be reflected with respect to the issued Partner for such interests. Any deduction arising from the issuance of such interests shall be allocated to and among the Partners whose distributions are reduced as a result of such issuance.

Section 3.6 Reserves; Adjustments for Certain Future Events

(a) Appropriate reserves may be created, accrued and charged against the Operating Profit or Operating Loss for contingent liabilities, if any, as of the date any such contingent liability becomes known to the General Partner or as of each other date as the General Partner deems appropriate, such reserves to be in the amounts which the General Partner deems necessary or appropriate (whether or not in accordance with generally accepted accounting principles). The General Partner may increase or reduce any such reserve from time to time by such amounts as the General Partner deems necessary or appropriate. The amount of any such reserve, or any increase or decrease therein, shall be proportionately charged or credited, as appropriate, to the Capital Accounts of those parties who are Partners at the time when such reserve is created, increased or decreased, as the case may be, in proportion to their respective Points at such time; provided, that the General Partner may (but is under no obligation to) charge or credit the amount of such reserve, increase or decrease to those parties who were Partners at the time, as determined by the General Partner, of the act or omission giving rise to the contingent liability for which the reserve item was established in proportion to their respective Points at that time. The amount of any such reserve charged against the Capital Account of a

Partner shall reduce the distributions such Partner would otherwise be entitled to under Section 4.1 or Section 8.1 hereof; and the amount of any such reserve credited to the Capital Account of a Partner shall increase the distributions such Partner would otherwise be entitled to under Section 4.1 or Section 8.1 hereof.

(b) If any amount paid by the Partnership was not previously accrued or reserved for but would nevertheless, in accordance with the Partnership's accounting practices, be treated as applicable to one or more prior periods, then the General Partner may (but is under no obligation to) charge such amount to those parties who were Partners during such prior period or periods, based on each such Partner's Points for such applicable period.

(c) Any amount required to be charged pursuant to Section 3.6(a) or (b) shall be debited against the current balance in the Capital Account of the affected Partners. To the extent that the aggregate current Capital Account balances of such affected Partners are insufficient to cover the full amount of the required charge, the deficiency shall be debited against the Capital Accounts of the other Partners in proportion to their respective Capital Account balances at such time; provided, that each such other Partner shall be entitled to a preferential allocation, in proportion to and to the extent of such other Partner's share of any such deficiency, together with a carrying charge at a rate equal to the Reference Rate, of any Operating Profit that would otherwise have been allocable after the date of such charge to the Capital Accounts of the affected Partners whose Capital Accounts were insufficient to cover the full amount of the required charge. In no event shall a current or former Partner be obligated to satisfy any amount required to be charged pursuant to Section 3.6(a) or (b) other than by means of a debit against such Partner's Capital Account.

Section 3.7 Finality and Binding Effect of General Partner's Determinations

All matters concerning the determination, valuation and allocation among the Partners with respect to any profit or loss of the Partnership and any associated items of income, gain, deduction, loss and credit, pursuant to any provision of this Article 3, including any accounting procedures applicable thereto, shall be determined by the General Partner unless specifically and expressly otherwise provided for by the provisions of this Agreement, and such determinations and allocations shall be final and binding on all the Partners.

Section 3.8 AEOI

(a) Each Limited Partner:

(i) shall provide, in a timely manner, such information regarding the Limited Partner and its beneficial owners and/or controlling persons and such forms or documentation as may be requested from time to time by the General Partner or the Partnership to enable the Partnership to comply with the requirements and obligations imposed on it pursuant to AEOI and shall update such information as necessary;

(ii) acknowledges that any such forms or documentation provided to the Partnership or its agents pursuant to clause (i), or any financial or account information with respect to the Limited Partner's investment in the Partnership, may be disclosed to any governmental authority which collects information in accordance with AEOI and to any withholding agent where the provision of that information is required by such agent to avoid the application of any withholding tax on any payments to the Partnership;

(iii) shall waive, and/or shall cooperate with the Partnership to obtain a waiver of, the provisions of any law which prohibits the disclosure by the Partnership, or by any of its agents, of the information or documentation requested from the Limited Partner pursuant to clause (i), prohibits the reporting of financial or account information by the Partnership or its agents required pursuant to AEOI or otherwise prevents compliance by the Partnership with its obligations under AEOI;

(iv) acknowledges that, if it provides information and documentation that is in any way misleading, or it fails to provide and/or update the Partnership or its agents with the requested information and documentation necessary, in either case, to satisfy the Partnership's obligations under AEOI, the Partnership may (whether or not such action or inaction leads to compliance failures by the Partnership, or a risk of the Partnership or its investors being subject to withholding tax or other penalties under AEOI) take any action and/or pursue all remedies at its disposal, including compulsory withdrawal of the Limited Partner, and may hold back from any withdrawal proceeds, or deduct from the Limited Partner's Capital Account, any liabilities, costs, expenses or taxes caused (directly or indirectly) by the Limited Partner's action or inaction; and

(v) shall have no claim against the Partnership, or its agents, for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Partnership in order to comply with AEOI.

(b) Each Limited Partner hereby indemnifies the General Partner and the Partnership and each of their respective partners, members, managers, officers, directors, employees and agents and holds them harmless from and against any AEOI-related liability, action, proceeding, claim, demand, costs, damages, expenses (including legal expenses), penalties or taxes whatsoever which such Person may incur as a result of any action or inaction (directly or indirectly) of such Limited Partner (or any Related Party) described in Section 3.8(a)(i) through (iv). This indemnification shall survive the Limited Partner's death or disposition of its interests in the Partnership.

Section 3.9 Alternative GP Vehicles

If the General Partner determines that for legal, tax, regulatory or other reasons (a) any investment or other activities of a Fund should be conducted through one or more alternative investment vehicles as contemplated by the relevant Fund LP Agreement, (b) any of such separate entities comprising such Fund should be managed or controlled by one or more separate entities serving as a general partner or in a similar capacity (each, an "Alternative GP Vehicle"), and (c) some or all of the Partners should participate through any such Alternative GP Vehicle, the General Partner may require any or all of the Partners, as determined by the General Partner, to participate directly or indirectly through any such Alternative GP Vehicle and to undertake such related and incidental activities and execute and deliver such related documents necessary or incidental thereto with and/or in lieu of the Partnership, and the General Partner shall have all necessary authority to implement such Alternative GP Vehicle and to admit Limited Partners as limited partners or members thereof; provided, that to the maximum extent practicable and subject to applicable legal, tax, regulatory or similar technical reasons, each Partner shall have the same economic interest in all material respects in an Alternative GP Vehicle formed pursuant

to this Section 3.9 as such Partner would have had if it had participated in all Portfolio Investments through the Partnership, and the terms of such Alternative GP Vehicle shall be substantially the same in all material respects to those of the Partnership and this Agreement. Each Partner shall take such actions and execute such documents as the General Partner determines are reasonably needed to accomplish the foregoing.

ARTICLE 4 DISTRIBUTIONS

Section 4.1 Distributions

(a) Any amount of cash or property received as a distribution from a Fund by the Partnership in its capacity as a partner of such Fund, to the extent such amount is determined by reference to the capital commitment of the Partnership in, or the capital contributions of the Partnership to, such Fund, shall be promptly distributed by the Partnership to APH.

(b) The Partnership will use reasonable efforts to distribute any available cash or property attributable to Operating Profit as promptly as practicable after receipt by the Partnership, subject to the Partnership's obligations with respect to any Clawback Obligation and subject to the retention of such reserves as the General Partner considers appropriate for purposes of the prudent and efficient financial operation of the Partnership's business including in accordance with Section 3.6. Distributions of Operating Profit are made to Partners pro rata based on the number of Points held by Partners at the times described in the applicable Award Letter, taking into account the allocation rules for mid-life Point grants and other equitable adjustments that are described in the applicable Award Letter.

(c) Distributions of amounts attributable to Operating Profit shall be made in cash; provided, that if the Partnership receives a distribution from a Fund in the form of property other than cash, the General Partner may distribute such property in kind to Partners in proportion to their respective Points.

(d) Any distributions or payments in respect of the interests of Limited Partners unrelated to Capital Profit or Operating Profit shall be made at such time, in such manner and to such Limited Partners as the General Partner shall determine.

(e) In furtherance of the allocation rules for mid-life Point grants described in the Award Letters, (1) any cash or other property that the General Partner determines is attributable to a Book-Tax Difference shall be distributed to the Limited Partners that are entitled to a share of such Book-Tax Difference pursuant to the definition of "Book-Tax Difference," with any such distribution to be in the proportion that each such Limited Partner's allocated share of the applicable Book-Tax Difference bears to the total Book-Tax Difference of the asset giving rise to the cash or property, and (2) except as the General Partner otherwise may determine, any Newly-Admitted Limited Partner shall have the right, after the distribution of any amounts attributable to Book-Tax Differences present at the time of such Newly-Admitted Limited Partner's admission pursuant to the proviso of Section 4.1(b) to the other Limited Partners, to receive a special distribution of the Catch Up Amount.

(i) Any such special distribution of the Catch Up Amount shall be in addition to the distributions to which the Newly-Admitted Limited Partner is entitled pursuant to Section 4.1(b) and shall be made to the Newly-Admitted Limited Partner (or, if there is more than one such Newly-Admitted Limited Partner, pro rata to all such Newly-Admitted Limited Partners based on the aggregate amount of such distributions each such Newly-Admitted Limited Partner has not yet received) from amounts otherwise distributable to the Diluted Limited Partner (including from distributions of Book-Tax Difference arising after such Newly-Admitted Limited Partner's admission), and shall reduce the amounts distributable to the Diluted Limited Partner pursuant to Section 4.1(b), until each applicable Newly-Admitted Limited Partner has received an amount equal to the applicable Catch Up Amount.

(ii) Any reallocation of Points to a Limited Partner who is not a Newly-Admitted Limited Partner pursuant to Article 7 shall include the right to receive any Catch Up Amount associated with such Points and shall succeed to any Book-Tax Difference accounts associated with such Points, except to the extent that the General Partner determines that the inclusion of such right would be inconsistent with the treatment of the reallocation of Points to such Limited Partner as a "profits interest" for income tax purposes.

(iii) True Ups of Catch Up Amount. To the extent that a Newly-Admitted Limited Partner has a positive True Up Amount at the time specified in the final sentence of this Section 4.1(e)(iii), the General Partner will arrange for such Newly-Admitted Limited Partner to receive a distribution equal to such True Up Amount, to be sourced from (A) any amounts that would then or thereafter be distributable to the Diluted Limited Partner, (B) a mandatory capital contribution by the Diluted Limited Partner payable on demand by the General Partner, or (C) any combination of the foregoing. The General Partner shall be permitted to withhold or adjust the implementation of this Section 4.1(e)(iii) to the extent it determines that such action is necessary or appropriate to (x) carry out the objectives specified in Section 6.1(d), (y) prevent or mitigate the risk that the Newly-Admitted Limited Partner would be treated as receiving ordinary income for tax purposes (e.g., a guaranteed payment under section 707(c) of the Code or as other services-related ordinary compensation), or (z) otherwise fairly and equitably achieve the intent of the affected parties. The determinations pursuant to this Section 4.1(e)(iii) will be made no later than the time of the final distribution by the Funds and reasonably promptly following such earlier date as the General Partner determines that the Partnership has no prospect of receiving any further distributions from the Funds comprising Operating Profit, and any required distribution of True Up Amounts will be made reasonably promptly following such determination.

Section 4.2 Withholding of Certain Amounts

(a) If the Partnership incurs a withholding or other tax obligation (a "Tax Obligation") with respect to Partnership income allocable to any Partner, amounts may be withheld from such Partner in respect of such Tax Obligation as described in the applicable Award Letter. If the amount of such taxes is greater than any such then distributable amounts, then such Partner and any successor to such Partner's interest shall indemnify and hold harmless the Partnership and

the General Partner against, and shall pay to the Partnership as a contribution to the capital of the Partnership, upon demand of the General Partner, the amount of such excess.

(b) If a Tax Obligation is required to be paid by the Partnership (including with respect to a tax liability imposed under section 6225 of the BBA Audit Rules) and the General Partner determines that such amount is allocable to the interest in the Partnership of a Person that is at such time a Partner, such Tax Obligation shall be treated as being made on behalf of or with respect to such Partner for purposes of this Section 4.2(b) whether or not the tax in question applies to a taxable period of the Partnership during which such Partner held an interest in the Partnership. To the extent that any liability with respect to a Tax Obligation (including a liability imposed under section 6225 of the BBA Audit Rules) relates to a former Partner that has transferred all or a part of its interest in the Partnership, such former Partner (which in the case of a partial Transfer shall include a continuing Partner with respect to the portion of its interests in the Partnership so transferred) shall indemnify the Partnership for its allocable portion of such liability, unless otherwise agreed to by the General Partner in writing. Each Partner acknowledges that, notwithstanding the Transfer of all or any portion of its interest in the Partnership, it may remain liable to the Partnership, pursuant to this Section 4.2(b), for tax liabilities with respect to its allocable share of income and gain of the Partnership for the Partnership's taxable years (or portions thereof) prior to such Transfer, as applicable (including any such liabilities imposed under section 6225 of the BBA Audit Rules).

Section 4.3 Limitation on Distributions

Notwithstanding any provision to the contrary contained in this Agreement, the Partnership, and the General Partner on behalf of the Partnership, shall not make a distribution to any Partner on account of his interest in the Partnership if such distribution would violate the Partnership Act or other applicable law.

Section 4.4 Distributions in Excess of Basis

In the event that the General Partner refrains from making a distribution to a Partner or Retired Partner because such distribution would exceed such Person's United States federal income tax basis in the Partnership, subject to the terms of the applicable Award Letter, 100% of any or all subsequent cash distributions shall be distributed to such Person (or, if there is more than one such Person, pro rata to all such Persons based on the aggregate amount of distributions each such Person has not yet received) until each such Person has received the same aggregate amount of distributions such Person would have received had distributions to such Person not been deferred. If any deferred amount is loaned to a Partner or Retired Partner, (a) any amount thereafter distributable to such Person shall be applied to repay the principal amount of such loan, and (b) interest, if any, accrued or received by the Partnership on such loan shall be allocated and distributed to such Person. Subject to the Partnership Act, any such loan shall be repaid no later than immediately prior to the satisfaction of all Partnership liabilities at the time of the liquidation of the Partnership. Until such repayment, for purposes of any determination hereunder based on amounts distributed to a Person, the principal amount of such loan shall be treated as having been distributed to such Person.

ARTICLE 5 MANAGEMENT

Section 5.1 Rights and Powers of the General Partner

(a) Subject to the terms and conditions of this Agreement, the General Partner shall have complete and exclusive responsibility (i) for all management decisions to be made on behalf of the Partnership, and (ii) for the conduct of the business and affairs of the Partnership, including all such decisions and all such business and affairs to be made or conducted by the Partnership in its capacity as Fund General Partner and as general partner of certain Voting Affiliated Feeder Funds.

(b) Without limiting the generality of the foregoing, the Partnership shall have full power and authority, and the General Partner shall have full power and authority, on its own behalf or on behalf of the Partnership, to execute, deliver or perform any contract, agreement or other undertaking that it may deem necessary or advisable for or incidental to the conduct of the business of the Partnership as contemplated by this Section 5.1, and to engage in or cause the Partnership to engage in all activities and transactions that it may deem necessary or advisable for or incidental to the conduct of such business, including, without in any manner limiting the generality of the foregoing, delivering, executing or performing any contract, agreement, undertaking or transaction with any Partner or with any other Person having any business, financial or other relationship with any Partner or Partners. The Partnership, and the General Partner on behalf of the Partnership, may enter into and perform the Fund LP Agreements, any governing documents of the Voting Affiliated Feeder Funds and any documents contemplated thereby or related thereto and any amendments thereto, without any further act, vote or approval of any Person, including any Partner, notwithstanding any other provision of this Agreement. The General Partner is hereby authorized to enter into the documents described in the preceding sentence on behalf of the Partnership, but such authorization shall not be deemed a restriction on the power of the General Partner to enter into other documents on behalf of the Partnership.

(c) The Partnership Representative shall be permitted to take any and all actions under the BBA Audit Rules (including making or revoking the election referred to in section 6226 of the BBA Audit Rules and all other applicable tax elections) and to act as the Partnership Representative thereunder, and shall have any powers necessary to perform fully in such capacity, in consultation with the General Partner if the General Partner is not the Partnership Representative. The General Partner shall (or shall cause another Partnership Representative to) promptly inform the Limited Partners of any tax deficiencies assessed or proposed to be assessed (of which a Partnership Representative or the General Partner is actually aware) by any taxing authority against the Partnership or the Limited Partners. Notwithstanding anything to the contrary contained herein, the acts of the General Partner (and with respect to applicable tax matters, any other Partnership Representative) in carrying on the business of the Partnership as authorized herein shall bind the Partnership. Each Partner shall upon request supply the information necessary to properly give effect to any elections described in this Section 5.1(c) or to otherwise enable a Partnership Representative to implement the provisions of this Section 5.1(c) (including filing tax returns, defending tax audits or other similar proceedings and conducting tax planning). The Limited Partners agree to reasonably cooperate with the Partnership or General Partner, and undertake any action reasonably requested by the Partnership.

or the General Partner, in connection with any elections made by the Partnership Representative or as determined to be reasonably necessary by the Partnership Representative under the BBA Audit Rules.

(d) Each Partner agrees not to treat, on his United States federal income tax return or in any claim for a refund, any item of income, gain, loss, deduction or credit in a manner inconsistent with the treatment of such item by the Partnership. The General Partner shall have the exclusive authority to make any elections required or permitted to be made by the Partnership under any provisions of the Code or any other revenue law.

Section 5.2 Delegation of Duties

(a) To the fullest extent permitted by law, the General Partner may delegate to any Person or Persons any of the duties, powers and authority vested in it hereunder on such terms and conditions as it may consider appropriate.

(b) Without limiting the generality of Section 5.2(a), the General Partner shall have the power and authority to appoint any Person, including any Person who is a Limited Partner, to provide services to and act as an employee or agent of the Partnership and/or General Partner, with such titles and duties as may be specified by the General Partner. Any Person appointed by the General Partner to serve as an employee or agent of the Partnership shall be subject to removal at any time by the General Partner, and shall report to and consult with the General Partner at such times and in such manner as the General Partner may direct.

(c) Any Person who is a Limited Partner and to whom the General Partner delegates any of its duties pursuant to this Section 5.2 or any other provision of this Agreement shall be subject to the same standard of care, and shall be entitled to the same rights of indemnification and exoneration, applicable to the General Partner under and pursuant to Section 5.7, unless such Person and the General Partner mutually agree to a different standard of care or right to indemnification and exoneration to which such Person shall be subject.

(d) The General Partner shall be permitted to designate one or more committees of the Partnership which committees may include Limited Partners as members. Any such committees shall have such powers and authority granted by the General Partner. Any Limited Partner who has agreed to serve on a committee shall not be deemed to have the power to bind or act for or on behalf of the Partnership in any manner and in no event shall a member of a committee be considered a general partner of the Partnership by agreement, estoppel or otherwise or be deemed to participate in the control and/or conduct of the business of the Partnership as a result of the performance of his duties hereunder or otherwise.

(e) The General Partner shall cause the Partnership to enter into an arrangement with the Management Company which arrangement shall require the Management Company to pay all costs and expenses of the Partnership.

Section 5.3 Transactions with Affiliates

To the fullest extent permitted by applicable law, the General Partner (or any Affiliate of the General Partner), when acting on behalf of the Partnership, is hereby authorized to (a) purchase property from, sell property to, lend money to or otherwise deal with any Affiliates, any

Limited Partner, the Partnership, a Fund or any Affiliate of any of the foregoing Persons, and (b) obtain services from any Affiliates, any Limited Partner, the Partnership, a Fund or any Affiliate of the foregoing Persons.

Section 5.4 [Intentionally Omitted]

Section 5.5 Rights of Limited Partners

(a) Limited Partners shall have no right to take part in the management or control or in the conduct of the Partnership's business, nor shall they have any right or authority to act for the Partnership or to vote on matters other than as set forth in this Agreement or as required by applicable law.

(b) Without limiting the generality of the foregoing, the General Partner shall have the full and exclusive authority, without the consent of any Limited Partner, to compromise the obligation of any Limited Partner to make a capital contribution or to return money or other property paid or distributed to such Limited Partner in violation of the Partnership Act.

(c) Nothing in this Agreement shall entitle any Partner to any compensation for services rendered to or on behalf of the Partnership as an agent or in any other capacity, except for any amounts payable in accordance with this Agreement.

(d) Subject to the Fund LP Agreements and to full compliance with AGM's code of ethics and other written policies relating to personal investment and any other transactions, membership in the Partnership shall not prohibit a Limited Partner from purchasing or selling as a passive investor any interest in any asset.

Section 5.6 Other Activities of General Partner

Nothing in this Agreement shall prohibit the General Partner from engaging in any activity other than acting as General Partner hereunder.

Section 5.7 Duty of Care; Indemnification

(a) To the fullest extent permitted by law, the General Partner (including, without limitation, for this purpose each former and present director, officer, manager, member, employee and stockholder of the General Partner), the Partnership Representative and each Limited Partner (including any former Limited Partner) in his capacity as such, and to the extent such Limited Partner participates, directly or indirectly, in the Partnership's activities, whether or not a Retired Partner (each, a "Covered Person" and collectively, the "Covered Persons"), shall not be liable to the Partnership or to any of the other Partners for any loss, claim, damage or liability occasioned by any acts or omissions in the performance of his services hereunder, unless it shall ultimately be determined by final judicial decision from which there is no further right to appeal (a "Final Adjudication") that such loss, claim, damage or liability is due to an act or omission of a Covered Person (i) made in bad faith or with criminal intent, or (ii) that materially and adversely affected a Fund and that failed to satisfy the duty of care owed pursuant to the applicable Fund LP Agreement or as otherwise required by law.

(b) A Covered Person shall be indemnified to the fullest extent permitted by law by the Partnership against any losses, claims, damages, liabilities and expenses (including attorneys' fees, judgments, fines, penalties and amounts paid in settlement) incurred by or imposed upon him by reason of or in connection with any action taken or omitted by such Covered Person arising out of the Covered Person's status as a Partner or his activities on behalf of the Partnership, including in connection with any action, suit, investigation or proceeding before any judicial, administrative, regulatory or legislative body or agency to which it may be made a party or otherwise involved or with which it shall be threatened by reason of being or having been the General Partner, the Partnership Representative or a Limited Partner or by reason of serving or having served, at the request of the Partnership in its capacity as Fund General Partner, as a director, officer, consultant, advisor, manager, member or partner of any enterprise in which a Fund has or had a financial interest, including issuers of Portfolio Investments; provided, that the Partnership may, but shall not be required to, indemnify a Covered Person with respect to any matter as to which there has been a Final Adjudication that his acts or his failure to act (i) were in bad faith or with criminal intent, or (ii) were of a nature that makes indemnification by the Funds unavailable. The right to indemnification granted by this Section 5.7 shall be in addition to any rights to which a Covered Person may otherwise be entitled and shall inure to the benefit of the successors by operation of law or valid assigns of such Covered Person. The Partnership shall pay the expenses incurred by a Covered Person in defending a civil or criminal action, suit, investigation or proceeding in advance of the final disposition of such action, suit, investigation or proceeding (provided the foregoing was not instigated by the General Partner on behalf of the Partnership against the Covered Person), upon receipt of an undertaking by the Covered Person to repay such payment if there shall be a Final Adjudication that he is not entitled to indemnification as provided herein. In any suit brought by the Covered Person to enforce a right to indemnification hereunder it shall be a defense that the Covered Person has not met the applicable standard of conduct set forth in this Section 5.7, and in any suit in the name of the Partnership to recover expenses advanced pursuant to the terms of an undertaking the Partnership shall be entitled to recover such expenses upon Final Adjudication that the Covered Person has not met the applicable standard of conduct set forth in this Section 5.7. In any such suit brought to enforce a right to indemnification or to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Covered Person is not entitled to be indemnified, or to an advancement of expenses, shall be on the Partnership (or any Limited Partner acting derivatively or otherwise on behalf of the Partnership or the Limited Partners). The General Partner may not satisfy any right of indemnity or reimbursement granted in this Section 5.7 or to which it may be otherwise entitled except out of the assets of the Partnership (including, without limitation, insurance proceeds and rights pursuant to indemnification agreements), and no Partner shall be personally liable with respect to any such claim for indemnity or reimbursement. The General Partner may enter into appropriate indemnification agreements and/or arrangements reflective of the provisions of this Article 5 and obtain appropriate insurance coverage on behalf and at the expense of the Partnership to secure the Partnership's indemnification obligations hereunder. Each Covered Person shall be deemed an intended third party beneficiary (to the extent not a direct party hereto) to this Agreement and, in particular, the provisions of this Article 5, and shall be entitled to the benefit of the indemnity granted to the Partnership by each of the Funds pursuant to the terms of the Fund LP Agreements.

(c) To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or the Partners, the Covered Person shall not be liable to the Partnership or to any Partner for his good faith reliance on the

provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities of a Covered Person otherwise existing at law or in equity to the Partnership or the Partners, are agreed by the Partners to replace such other duties and liabilities of each such Covered Person to the fullest extent permitted by applicable law.

(d) Notwithstanding any of the foregoing provisions of this Section 5.7, to the fullest extent permitted by law, the Partnership may but shall not be required to indemnify (i) a Retired Partner (or any other former Limited Partner) with respect to any claim for indemnification or advancement of expenses arising from any conduct occurring more than six months after the date of such Person's retirement (or other withdrawal or departure), (ii) a Limited Partner with respect to any claim for indemnification or advancement of expenses as a director, officer or agent of the issuer of any Portfolio Investment to the extent arising from conduct in such capacity occurring more than six months after the complete disposition of such Portfolio Investment by a Fund, or (iii) any Person to the extent the General Partner so determines.

Section 5.8 Discretion; Good Faith

Except as otherwise expressly provided herein or as required by law, each power and authority vested in the General Partner by or pursuant to any provisions of this Agreement, any Award Letter, any side letter or similar agreement, or the Partnership Act shall be construed as being exercisable by the General Partner in its sole and absolute discretion. To the fullest extent permitted by law and notwithstanding any other provision of this Agreement, any Award Letter or in any other agreement contemplated herein or applicable provisions of law or equity or otherwise, whenever in this Agreement the General Partner is authorized to make a decision (a) in its discretion (whether explicitly or pursuant to the preceding sentence) or under a grant of similar authority, the General Partner shall be entitled to consider only such interests and factors as it desires, including its and its Affiliates' own interests, and shall otherwise have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or any other Person, or (b) in its good faith or under another express standard, the General Partner shall act under such express standard and shall not be subject to any other or different standard, and may exercise its discretion differently with respect to different Limited Partners.

Section 5.9 Modification of Fiduciary Duties

To the fullest extent permitted by law and notwithstanding any other duties at law, in equity or otherwise, it is the intention of the parties hereto that if the General Partner and the Covered Persons act in accordance with their duties to the Funds, they shall not be in breach of any duty owed to the Partnership or its Partners and shall not have any liability in respect thereof.

ARTICLE 6 ADMISSIONS, TRANSFERS AND WITHDRAWALS

Section 6.1 Admission of Additional Limited Partners; Effect on Points

(a) The General Partner may admit at any time any Person as an additional Limited Partner, and may assign Points to such Person and/or increase the Points of any existing Limited Partner, in each case, subject to and in accordance with the remaining provisions of this Section 6.1 and Section 7.1.

(b) Subject to Section 6.1(c), each additional Limited Partner shall execute (i) either a counterpart to this Agreement, an Award Letter or another separate instrument evidencing, to the satisfaction of the General Partner, such Limited Partner's intent to become a Limited Partner and their agreement to adhere to and be bound to this Agreement, and (ii) the documents contemplated by Section 7.1(b), and shall be admitted as a Limited Partner upon such execution.

(c) Notwithstanding the foregoing, the General Partner may admit additional Limited Partners without requiring, at the time of admission, the execution of this Agreement or an Award Letter, or any other formalities, by delivering a written notice of admission to the proposed additional Limited Partner (which may take the form of an email message) requesting a confirmation in response (which may also take the form of an email message). Upon receipt by the General Partner of such a confirmation (or waiver of such requirement by the General Partner), admission will be effective at the time and on the terms set forth in the admission notice. Upon such admission, the Person so admitted shall be deemed to have adhered to and agreed to be bound by the terms and conditions of this Agreement and shall have the rights and be subject to the obligations contained in this Agreement as if such Person and all existing Partners had together duly executed and delivered this Agreement. If the admission notice does not specify the magnitude of the initial interest of the Limited Partner, such interest will be deemed to be not less than a 1/2000th share of the Partnership's net profits, subject to applicable terms relating to dilution, vesting, return of unvested distributions and forfeiture that may be specified in the admission notice or thereafter in an Award Letter issued by the General Partner containing terms not inconsistent with the admission notice. Upon receipt of such an Award Letter, the General Partner may require a Limited Partner to execute and deliver a counterpart thereof as a condition to the receipt of future distributions.

(d) Profits Interests.

(i) The Partnership and each Partner agree (i) that the General Partner shall be permitted to issue an interest in the Partnership to any Partner intended to be treated as "*Profits Interests*" with respect to the Partnership, within the meaning of Rev. Proc. 93-27, 1993-2 C.B. 343, as clarified by Rev. Proc. 2001-43, 2001-34 I.R.B. 191; (ii) to treat any Profits Interests as such; and (iii) that the provisions of this Agreement shall be interpreted in a manner consistent with the intended status of any Profits Interest.

(ii) Any Profits Interests issued by the Partnership shall be subject to the following provision:

Absent a contrary determination by the General Partner based on a change in law governing the taxation of "profits interests": (A) the Partnership and each Partner shall treat each Partnership interest granted to such Partner as a Profits Interest; (B) the Partnership and each Partner shall treat each holder of a Profits Interest as the owner of such interest from the date such interest is granted until such interest is forfeited or otherwise disposed of; (C) each holder of a Profits Interest agrees to take into account such distributive share of the Partnership's income, gain, deduction and loss in computing its U.S. federal income tax liability for the entire period during which it holds such Profits Interest; and (D) each Partner agrees not to claim a deduction (as wages, compensation or otherwise) in respect of any Profits

Interest either upon grant or vesting of the Profits Interest. Upon a change in law governing the taxation of “profits interests,” each Partner shall take such actions as may be requested by the Partnership in response to such change in law, including agreeing to amend this Agreement in a manner the General Partner deems necessary or appropriate to reflect such change in law and reporting any such matters in their income tax returns as determined by the General Partner. Notwithstanding anything in this Agreement to the contrary, the General Partner is hereby authorized and empowered, without further vote or action of the Partners, to amend this Agreement as it deems necessary or appropriate to comply with the requirements of, or address changes to, any law applicable to the taxation of “profits interests.”

(iii) The Partnership and each Partner agree that each Partner will only receive distributions in respect of Operating Profit to the extent that the amounts included in such Operating Profits are determined by the General Partner in its sole discretion to be (a) sourced out of appreciation in the assets of the Fund after the date each such Partner’s admission to the Partnership or (b) otherwise consistent with the treatment of each such Partner’s Points as profits interests for U.S. federal income tax purposes.

Section 6.2 Admission of Additional General Partner

The General Partner may admit one or more additional general partners at any time without the consent of any Limited Partner. No reduction in the Points of any Limited Partner shall be made as a result of the admission of an additional general partner or the increase in the Points of any general partner without the consent of such Limited Partner. Any additional general partner shall be admitted as a general partner of the Partnership upon its execution of a counterpart signature page to this Agreement or a separate instrument evidencing their agreement to adhere to and be bound by this Agreement, and upon the filing of a Section 10 Statement with the Registrar pursuant to the Partnership Act.

Section 6.3 Transfer of Interests of Limited Partners

(a) No Transfer of any Limited Partner’s interest in the Partnership, whether voluntary or involuntary, shall be valid or effective, and no transferee shall become a substituted Limited Partner, unless the prior written consent of the General Partner has been obtained, which consent may be given or withheld by the General Partner. Notwithstanding the foregoing, any Limited Partner may Transfer to any Related Party of such Limited Partner all or part of such Limited Partner’s interest in the Partnership (subject to continuing obligations of such Limited Partner, including, without limitation, in respect of vesting and Restrictive Covenants), including, without limitation, his, her or its right to receive distributions of Operating Profit; provided, that the Transfer has been previously approved in writing by the General Partner, such approval not to be unreasonably withheld. In the event of any Transfer, all of the conditions of the remainder of this Section 6.3 must also be satisfied.

(b) A Limited Partner or his legal representative shall give the General Partner notice before the proposed effective date of any voluntary Transfer and within 30 days after any involuntary Transfer, and shall provide sufficient information to allow legal counsel acting for the

Partnership to make the determination that the proposed Transfer will not result in any of the following consequences:

- (i) require registration of the Partnership or any interest therein under any securities or commodities laws of any jurisdiction;
- (ii) result in a termination of the Partnership for U.S. tax purposes under section 708(b)(1)(B) of the Code or jeopardize the status of the Partnership as a partnership for United States federal income tax purposes; or
- (iii) violate, or cause the Partnership, the General Partner or any Limited Partner to violate, any applicable law, rule or regulation of any jurisdiction.

Such notice must be supported by proof of legal authority and a valid instrument of assignment acceptable to the General Partner.

(c) In the event any Transfer permitted by this Section 6.3 shall result in multiple ownership of any Limited Partner's interest in the Partnership, the General Partner may require one or more trustees or nominees to be designated to represent a portion of the interest transferred or the entire interest transferred for the purpose of receiving all notices which may be given and all payments which may be made under this Agreement, and for the purpose of exercising the rights which the transferees have pursuant to the provisions of this Agreement.

(d) A permitted transferee shall be entitled to be paid the allocations and distributions attributable to the interest in the Partnership transferred to such transferee and to Transfer such interest in accordance with the terms of this Agreement; provided, that such transferee shall not be entitled to the other rights of a Limited Partner as a result of such transfer until he becomes a substituted Limited Partner. No transferee may become a substituted Limited Partner except with the prior written consent of the General Partner (which consent may be given or withheld by the General Partner, provided that in relation to the outgoing Limited Partner's Related Party such consent or approval must not be unreasonably withheld in accordance with Section 6.3(a)). Such transferee shall be admitted to the Partnership as a substituted Limited Partner upon execution of a counterpart of this Agreement or such other instrument evidencing, to the satisfaction of the General Partner, such Limited Partner's intent to become a Limited Partner and its agreement to adhere to and be bound to this Agreement. Notwithstanding the above, the Partnership and the General Partner shall incur no liability for allocations and distributions made in good faith to the transferring Limited Partner until a written instrument of Transfer has been received and accepted by the Partnership and recorded on its books and the effective date of the Transfer has passed.

(e) Any other provision of this Agreement to the contrary notwithstanding, to the fullest extent permitted by law, any successor or transferee of any Limited Partner's interest in the Partnership shall be bound by the provisions hereof. Prior to recognizing any Transfer in accordance with this Section 6.3, the General Partner may require the transferee to make certain representations and warranties to the Partnership and Partners and to accept, adopt and approve in writing all of the terms and provisions of this Agreement. Except as otherwise provided in this Agreement, if a Limited Partner transfers its entire interest in the Partnership pursuant to this Section 6.3, the transferor Limited Partner shall cease to be a limited partner of the Partnership

and the transferee Limited Partner shall simultaneously be deemed admitted to the Partnership as a Limited Partner.

(f) In the event of a Transfer or in the event of a distribution of assets of the Partnership to any Partner, the Partnership, at the direction of the General Partner, may, but shall not be required to, file an election under section 754 of the Code and in accordance with the applicable Treasury Regulation, to cause the basis of the Partnership's assets to be adjusted as provided by section 734 or 743 of the Code.

(g) The Partnership shall maintain books for the purpose of registering the Transfer of partnership interests in the Partnership. No Transfer of a partnership interest shall be effective until the Transfer of the partnership interest is registered upon books maintained for that purpose by or on behalf of the Partnership.

(h) In the event of a Transfer of all of a Limited Partner's interest in the Partnership, such Limited Partner shall remain liable to the Partnership as contemplated by Section 4.2(b) and shall, if requested by the General Partner, expressly acknowledge such liability in such agreements as may be entered into by such Limited Partner in connection with such Transfer.

Section 6.4 Withdrawal of Partners

A Partner may not withdraw from the Partnership without the prior consent of the General Partner. The General Partner may prescribe the terms and conditions of any permitted withdrawal, and is under no duty to treat different Partners similarly with respect to any permitted withdrawal. For the avoidance of doubt, any Limited Partner who transfers to a Related Party such Limited Partner's entire remaining entitlement to allocations and distributions shall remain a Limited Partner, notwithstanding the admission of the transferee Related Party as a Limited Partner, for as long as the transferee Related Party remains a Limited Partner.

Section 6.5 Pledges

(a) A Limited Partner shall not pledge, charge or grant a security interest in such Limited Partner's interest in the Partnership unless the prior written consent of the General Partner has been obtained (which consent may be given or withheld by the General Partner in its discretion).

(b) Notwithstanding Section 6.5(a) and subject to the requirements of applicable law, any Limited Partner may grant to a bank or other financial institution a security interest in such part of such Limited Partner's interest in the Partnership as relates solely to the right to receive distributions of Operating Profit in the ordinary course of obtaining bona fide loan financing to fund his contributions to the capital of the Partnership or Co-Investors (A). If the interest of the Limited Partner in the Partnership or Co-Investors (A) or any portion thereof in respect of which a Limited Partner has granted a security interest ceases to be owned by such Limited Partner in connection with the exercise by the secured party of remedies resulting from a default by such Limited Partner or upon the occurrence of such similar events with respect to such Limited Partner's interest in Co-Investors (A), such interest of the Limited Partner in the Partnership or portion thereof shall thereupon become a non-voting interest and the holder thereof shall not be entitled to vote on any matter pursuant to this Agreement.

(c) For purposes of the grant, pledge, charge, attachment or perfection of a security interest in a partnership interest in the Partnership or otherwise, each such partnership interest shall constitute a “security” within the meaning of, and governed by, (i) article 8 of the Uniform Commercial Code (including section 8-102(a)(15) thereof) as in effect from time to time in the State of New York (the “NYUCC”), and (ii) article 8 of the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.

(d) Any partnership interest in the Partnership may be evidenced by a certificate issued by the Partnership in such form as the General Partner may approve. Every certificate representing an interest in the Partnership shall bear a legend substantially in the following form:

Each partnership interest constitutes a “security” within the meaning of, and governed by, (i) Article 8 of the Uniform Commercial Code (including Section 8-102(a)(15) thereof) as in effect from time to time in the State of New York (the “UCC”), and (ii) Article 8 of the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to Article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.

THE TRANSFER OF THIS CERTIFICATE AND THE PARTNERSHIP INTERESTS REPRESENTED HEREBY IS RESTRICTED AS DESCRIBED IN THE AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT OF THE PARTNERSHIP DATED MARCH 27, 2023 WITH A DEEMED EFFECTIVE DATE AS AMONG THE PARTIES THERETO OF DECEMBER 23, 2021, AS THE SAME MAY BE AMENDED OR RESTATED FROM TIME TO TIME.

(e) Each certificate representing a partnership interest in the Partnership shall be executed by manual, electronic or facsimile signature of the General Partner on behalf of the Partnership.

(f) Notwithstanding any provision of this Agreement to the contrary, to the extent that any provision of this Agreement is inconsistent with any non-waivable provision of article 8 of the NYUCC, such provision of article 8 of the NYUCC shall control.

ARTICLE 7 ALLOCATION AND ADJUSTMENTS OF POINTS; CAPITAL COMMITMENT

Section 7.1 Allocation of Points

(a) Except as otherwise provided herein, the General Partner shall be responsible for the allocation of Points from time to time to the Limited Partners. The General Partner may allocate Points to a new Limited Partner and/or increase the Points of any existing Limited Partner, in each case, solely in accordance with the terms and conditions set forth herein.

(b) Unless otherwise agreed by the General Partner, the allocation of Points to any Limited Partner shall not become effective until:

(i) the receipt of the following documents, in form and substance reasonably satisfactory to the General Partner, executed by such Limited Partner: (A) a customary and standard guarantee or guarantees, for the benefit of Fund investors, of the Limited Partner's Clawback Share, and (B) a customary and standard undertaking to reimburse APH for any payment made by it (or by another AGM Affiliate) that is attributable to such Limited Partner's Clawback Share; and

(ii) if required pursuant to a Limited Partner's Award Letter or Points allocation notice, the effective date of the acceptance by Co-Investors (A) of a capital commitment from such Limited Partner (or his Related Party, as applicable) in an amount described in such Award Letter or Points allocation notice delivered to such Limited Partner.

(c) The General Partner shall maintain on the books and records of the Partnership a record of the number of Points allocated to each Partner and shall give notice to each Limited Partner of the number of such Limited Partner's Points upon admission to the Partnership of such Limited Partner and promptly upon any change in such Limited Partner's Points pursuant to this Article 7 and such notice shall include the calculations used by the General Partner to determine the amount of any such change. The Limited Partners shall not otherwise have the right to inspect the record of the number of Points allocated to each Partner, except upon prior consent of the General Partner.

(d) The General Partner may award Designated Points as described in the Award Letters, and may create reserves out of Operating Profits for purposes of funding distributions in respect of Designated Points that are anticipated but not yet crystallized. Limited Partners may be required to return all or a portion of any distribution they previously received to fund distributions in respect of Designated Points.

Section 7.2 Retirement of Partner

(a) A Limited Partner shall become a Retired Partner upon:

(i) notice to such Limited Partner by the General Partner or any of its Affiliates terminating such Limited Partner's employment by or service to AGM or an Affiliate thereof, unless otherwise determined by the General Partner;

(ii) notice by such Limited Partner to the General Partner, AGM or an Affiliate thereof stating that such Limited Partner elects to resign from or otherwise terminate his or her employment by or service to AGM or an Affiliate thereof; or

(iii) the death of the Limited Partner, whereupon the estate of the deceased Limited Partner shall be treated as a Retired Partner in the place of the deceased Limited Partner, or the Disability of the Limited Partner.

(b) Nothing in this Agreement or at law or in equity shall obligate the General Partner to treat Retired Partners alike, and the exercise of any power or discretion by the General Partner

in the case of any one such Retired Partner shall not create any obligation on the part of the General Partner to take any similar action in the case of any other such Retired Partner, it being understood that any power or discretion conferred upon the General Partner shall be treated as having been so conferred as to each such Retired Partner separately.

(c) The vesting provisions included in each Award Letter are relevant for determining the number of Points that each Limited Partner retains after they become a Retired Partner. These vesting provisions notwithstanding, the General Partner may (but has no obligation to) agree to a lesser or later reduction (or to no reduction) of any Limited Partner's Points when they become a Retired Partner.

(d) For the avoidance of doubt, any Limited Partner who commits a Bad Act or breaches a Restrictive Covenant is not eligible to retain any vested Points as a Retired Partner. Any Limited Partner who commits a Bad Act or breaches a Restrictive Covenant will forfeit their Partnership interest and all their Points retroactive to the date of the initial occurrence of the Bad Act or breach, or if that date is not known, as of the earliest date of the occurrence identified by the General Partner.

(e) If any Limited Partner's Points are reduced pursuant to the dilution provisions in an Award Letter, and such Limited Partner has any remaining unrestored Points prior to becoming a Retired Partner, the quantity of such unrestored Points will be adjusted when the Limited Partner becomes a Retired Partner by multiplying the number of unrestored Points by the percentage of such Limited Partner's total Points that have vested.

Section 7.3 Additional Points

If one or more Partners or Retired Partners is assigned additional Points and the General Partner determines in connection with such assignment that such assignment may be, for purposes of section 83 of the Code, a transfer in connection with the performance of services of an interest that would not qualify as a "profits interest" within the meaning of IRS Revenue Procedure 93-27, then the General Partner may make such adjustments to the amounts allocated and distributed to such Partner or Retired Partner with respect to such reallocated Points (and corresponding adjustments to other allocations and distributions for Partners and Retired Partners as determined by the General Partner) so as to cause such interest to qualify as a "profits interest" within the meaning of IRS Revenue Procedure 93-27, including by treating such reallocation as an event described in the definitions of "Carrying Value" and "Book-Tax Difference" and by treating such Partner or Retired Partner as a Newly-Admitted Limited Partner with respect to such Points.

ARTICLE 8 WINDING UP AND DISSOLUTION

Section 8.1 Winding Up and Dissolution of Partnership

(a) Upon the commencement of the winding up of the Partnership in accordance with the Partnership Act, the General Partner shall wind up the business and administrative affairs and liquidate the assets of the Partnership, except that, if the General Partner is unable to perform this function, a liquidator may be elected by a majority in interest (determined by Points) of Limited Partners and upon such election such liquidator shall liquidate the assets of the Partnership. Capital

Profit and Capital Loss, Operating Profit and Operating Loss during the Fiscal Years that include the period of liquidation shall be allocated pursuant to Section 3.4. The proceeds from liquidation shall be distributed in the following manner:

(i) first, to creditors of the Partnership, including Partners who are creditors, to the extent otherwise permitted by law, in satisfaction of the debts, liabilities and obligations of the Partnership including the expenses of liquidation (including legal and accounting expenses incurred in connection therewith), up to and including the date that distribution of the Partnership's assets to the Partners has been completed, shall be satisfied (whether by payment or by making reasonable provision for payment thereof); and

(ii) thereafter, the Partners shall be paid amounts pro rata in accordance with and up to the positive balances of their respective Capital Accounts, as adjusted pursuant to Article 3.

(b) Anything in this Section 8.1 to the contrary notwithstanding, the General Partner or liquidator may distribute ratably in kind rather than in cash, upon winding up, any assets of the Partnership in accordance with the priorities set forth in Section 8.1(a), provided that if any in kind distribution is to be made the assets distributed in kind shall be valued as of the actual date of their distribution and charged as so valued and distributed against amounts to be paid under Section 8.1(a).

(c) Following the completion of the winding up of the Partnership, the General Partner (or the liquidator as applicable) shall execute, acknowledge and cause to be filed a notice of dissolution (the "Notice of Dissolution") of the Partnership with the Registrar and the winding up of the Partnership shall be complete on the filing of the Notice of Dissolution.

ARTICLE 9 GENERAL PROVISIONS

Section 9.1 Amendment of Partnership Agreement and Co-Investors (A) Partnership Agreement

(a) The General Partner may amend this Agreement at any time, in whole or in part, without the consent of any Limited Partner by giving notice of such amendment to any Limited Partner whose rights or obligations as a Limited Partner pursuant to this Agreement are changed thereby; provided, that any amendment that would effect a material adverse change in the contractual rights or obligations of a Partner (such rights or obligations determined without regard to the amendment power reserved herein) may only be made if the written consent of such Partner is obtained prior to the effectiveness thereof; provided, that any amendment that increases a Partner's obligation to contribute to the capital of the Partnership or increases such Partner's Clawback Share shall not be effective with respect to such Partner, unless such Partner consents thereto in advance in writing. Notwithstanding the foregoing, the General Partner may amend this Agreement at any time, in whole or in part, without the consent of any Limited Partner to enable the Partnership to (i) comply with the requirements of the "Safe Harbor" Election within the meaning of the Proposed Revenue Procedure of Notice 2005-43, 2005-24 IRB 1, Proposed Treasury Regulation section 1.83-3(e)(1) or Proposed Treasury Regulation section 1.704-

1(b)(4)(xii) at such time as such proposed Procedure and Regulations are effective and to make any such other related changes as may be required by pronouncements or Treasury Regulation issued by the Internal Revenue Service or Treasury Department after the date of this Agreement and (ii) enable, when applicable, the Partnership (or the Partnership Representative) to comply with the BBA Audit Rules or to make any elections or take any other actions available thereunder; provided, that any amendment pursuant to clauses (i) or (ii) that would cause a Limited Partner's rights to allocations and distributions to suffer a material adverse change only may be made if the written consent of such Limited Partner is obtained prior to the effectiveness thereof. An adjustment of Points shall not be considered an amendment to the extent effected in compliance with the provisions of a Limited Partner's Award Letter, Section 7.1 or Section 7.3 as in effect on the date hereof or as hereafter amended in compliance with the requirements of this Section 9.1(a). The General Partner's approval of or consent to any transaction resulting in any change to the scheme of distribution under a Fund LP Agreement that would have the effect of reducing the Partnership's allocable share of the Net Income of the relevant Fund shall require the consent of any Limited Partner on whom such change would have a material adverse effect.

(b) Notwithstanding the provisions of this Agreement, including Section 9.1(a), it is hereby acknowledged and agreed that the General Partner on its own behalf or on behalf of the Partnership without the approval of any Limited Partner or any other Person may enter into one or more side letters or similar agreements with one or more Limited Partners which have the effect of establishing rights under, or altering or supplementing the terms of this Agreement or any award document (including the Award Letters), including reducing or eliminating the obligations of a Limited Partner to make capital contributions or other payments under certain circumstances. The parties hereto agree that any terms contained in a side letter or similar agreement with one or more Limited Partners shall govern with respect to such Limited Partner or Limited Partners notwithstanding the provisions of this Agreement or any such award document. Any such side letters or similar agreements shall be binding upon the Partnership or the General Partner, as applicable, and the signatories thereto as if the terms were contained in this Agreement, but no such side letter or similar agreement between the General Partner and any Limited Partner or Limited Partners and the Partnership shall adversely amend the contractual rights or obligations of any other Limited Partner without such other Limited Partner's prior consent. With respect to each Limited Partner, this Agreement, the Limited Partner's Award Letter and any other agreements with the Limited Partner related to an award of Points, any personal guarantee or reimbursement agreement entered into by the Limited Partner associated with a clawback payment to the Fund, and any side letters or similar agreements entered into pursuant to this Section 9.1(b) collectively constitute the entire agreement of the parties with respect to the subject matter hereof.

(c) The provisions of this Agreement that affect the terms of the Co-Investors (A) Partnership Agreement applicable to Limited Partners constitute a "side letter or similar agreement" between each Limited Partner and the general partner of Co-Investors (A), which has executed this Agreement exclusively for purposes of confirming the foregoing.

Section 9.2 Equal Treatment

Except as otherwise specifically provided herein or in a Team Member's Award Letter, the General Partner will not treat any Team Member in a manner that is adverse in comparison with the treatment of APH with respect to distributions (including liquidating distributions) of

Operating Profit (including form, timing and amount of such distributions), Point dilution and funding of Clawback Shares. For the avoidance of doubt, the foregoing is not intended to limit the General Partner's authority relating to forfeiture of Points due to (i) a Team Member becoming a Retired Partner, (ii) a Team Member's commission of a Bad Act or breach of a Restrictive Covenant and (iii) allocation of Points to APH to the extent not required to be allocated to Team Members, in each case, in accordance with the terms and conditions set forth herein.

Section 9.3 Corporate Clawback Policy

To the extent mandated by applicable law, stock exchange or accounting rule and/or set forth in a written clawback policy (e.g., with respect to compensation paid based on financial statements that are later found to have been materially misstated) adopted by AGM or an Affiliate, amounts distributed in respect of Points may be subject to clawback by AGM or an Affiliate under such law, rule and/or policy and, accordingly, Limited Partners may be required to refund any relevant amounts to AGM or the relevant Affiliate.

Section 9.4 Power-of-Attorney

(a) Each Partner hereby irrevocably makes, constitutes and appoints the General Partner with full power of substitution, the true and lawful representative and attorney-in-fact, and in the name, place and stead of such Partner, with the power from time to time to make, execute, sign, acknowledge, swear to, verify, deliver, record, file and/or publish:

(i) any amendment to, or amendment and restatement of, this Agreement which complies with the provisions of this Agreement (including the provisions of Section 9.1);

(ii) all such other instruments, documents and certificates which, in the opinion of legal counsel to the Partnership, may from time to time be required by the laws of the Cayman Islands, the United States of America or any other jurisdiction, or any political subdivision or agency thereof, or which such legal counsel may deem necessary or appropriate to effectuate, implement and continue the valid and subsisting existence and business of the Partnership as an exempted limited partnership;

(iii) all such instruments, certificates, agreements and other documents relating to the conduct of the investment program of the Funds which, in the opinion of such attorney-in-fact and the legal counsel to the Funds, are reasonably necessary to accomplish the legal, regulatory and fiscal objectives of the Funds in connection with their acquisition, ownership and disposition of investments, including, without limitation:

(A) the governing documents of any management entity formed as a part of the tax planning for the Funds and any amendments thereto; and

(B) documents relating to any restructuring transaction with respect to any of the Funds' investments,

provided, that such documents referred to in clauses (A) and (B) above, viewed individually or in the aggregate, provide equivalent financial and economic rights and obligations with respect to such Limited Partner and otherwise do not:

(1) increase the Limited Partner's financial obligation to make capital contributions with respect to the relevant Fund (directly or through any associated vehicle in which the Limited Partner holds an interest);

(2) diminish the Limited Partner's entitlement to share in profits and distributions with respect to the relevant Fund (directly or through any associated vehicle in which the Limited Partner holds an interest);

(3) cause the Limited Partner to become subject to increased personal liability for any debts or obligations of the Partnership or other Partners; or

(4) otherwise result in an adverse change in the rights or obligations of the Limited Partner in relation to the conduct of the investment program of the Funds;

(iv) any instrument or document necessary or advisable to implement the provisions of Section 3.9 of this Agreement;

(v) any written notice or letter of resignation from any board seat or office of any Person (other than a company that has a class of equity securities registered under the United States Securities Exchange Act of 1934, as amended, or that is registered under the United States Investment Company Act of 1940, as amended), which board seat or office was occupied or held at the request of the Partnership or any of its Affiliates; and

(vi) all such proxies, consents, assignments and other documents as the General Partner determines to be necessary or advisable in connection with any merger or other reorganization, restructuring or other similar transaction entered into in accordance with this Agreement (including the provisions of Section 9.7(c)).

(b) Each Limited Partner is aware that the terms of this Agreement permit certain amendments to this Agreement to be effected and certain other actions to be taken or omitted by or with respect to the Partnership without his consent. If a Section 10 Statement is required to be filed in accordance with the Partnership Act or an amendment to this Agreement is made or any action by or with respect to the Partnership is taken by the General Partner in the manner contemplated by this Agreement, each Limited Partner agrees that, notwithstanding any objection which such Limited Partner may assert with respect to such action, the General Partner is authorized and empowered, with full power of substitution, to exercise the authority granted above in any manner which may be necessary or appropriate to permit such filing or amendment to be made or action lawfully taken or omitted. Each Partner is fully aware that each other Partner will rely on the effectiveness of this power-of-attorney with a view to the orderly administration of the affairs of the Partnership. This power-of-attorney is intended to secure a proprietary interest and the performance of the obligations of each Limited Partner under this Agreement in favor of the General Partner and as such:

(i) shall be irrevocable and continue in full force and effect notwithstanding the subsequent death or incapacity of any party granting this power-of-attorney, regardless of whether the Partnership or the General Partner shall have had notice thereof; and

(ii) shall survive any Transfer by a Limited Partner of the whole or any portion of its interest in the Partnership, except that, where the transferee thereof has been approved by the General Partner for admission to the Partnership as a substituted Limited Partner, this power-of-attorney given by the transferor shall survive such Transfer for the sole purpose of enabling the General Partner to execute, acknowledge and file any instrument necessary to effect such substitution; and

(iii) extends to the heirs, executors, administrators, other legal representatives and successors, transferees and assigns of such Limited Partner, and may be exercised by the General Partner on behalf of such Limited Partner in executing any instrument by a facsimile or electronic signature or by listing all the Limited Partners and executing that instrument with a single signature as attorney and/or agent for all of them.

Section 9.5 Notices

Any notice required or permitted to be given under this Agreement shall be in writing. A notice to the General Partner shall be directed to the attention of Scott Kleinman with a copy to the general counsel of the Partnership. A notice to a Limited Partner shall be directed to such Limited Partner's last known residence as set forth in the books and records of the Partnership or its Affiliates (a Limited Partner's "Home Address"). A notice shall be considered given when delivered to the addressee either by hand at his Partnership office or electronically to the primary e-mail account supplied by the Partnership for Partnership business communications, except that a notice demanding cure of a Bad Act shall be considered given only when delivered by hand or by a recognized overnight courier, together with mailing through the United States Postal System by regular mail to the relevant Limited Partner's Home Address.

Section 9.6 Agreement Binding Upon Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors by operation of law, but the rights and obligations of the Partners hereunder shall not be assignable, transferable or delegable except as expressly provided herein, and any attempted assignment, Transfer or delegation thereof that is not made in accordance with such express provisions shall be voidable and unenforceable.

Section 9.7 Merger, Consolidation, Division, Conversion, etc.

(a) Subject to Section 9.7(b) and Section 9.7(c), the Partnership may merge or consolidate with or into one or more limited partnerships formed under the Partnership Act or other business entities pursuant to an agreement of merger or consolidation which has been approved by the General Partner and without the consent of any other Partner.

(b) Subject to Section 9.7(c) but notwithstanding any other provision to the contrary contained elsewhere in this Agreement, an agreement of merger or consolidation approved in accordance with Section 9.7(a) may, to the extent permitted by the Partnership Act and

Section 9.7(a), (i) effect any amendment to this Agreement, (ii) effect the adoption of a new partnership agreement for the Partnership if it is the surviving or resulting limited partnership in the merger or consolidation, or (iii) provide that the partnership agreement of any other constituent limited partnership to the merger or consolidation (including a limited partnership formed for the purpose of consummating the merger or consolidation) shall be the partnership agreement of the surviving or resulting limited partnership.

(c) The General Partner shall have the power and authority to approve and implement any merger, consolidation, division, conversion or other reorganization, restructuring or similar transaction without the consent of any Limited Partner, other than any Limited Partner with respect to which such transaction will, or will reasonably be likely to, result in any change in the financial rights or obligations or material change in other rights or obligations of such Limited Partner conferred by this Agreement and any side letter or similar agreement entered into pursuant to Section 9.1(b) or the imposition of any new financial or other material obligation on such Limited Partner. Subject to the foregoing, the General Partner may require one or more of the Limited Partners to sell, exchange, Transfer or otherwise dispose of their interests in the Partnership in connection with any such transaction, and each Limited Partner shall take such action as may be directed by the General Partner to effect any such transaction.

Section 9.8 Governing Law; Dispute Resolution

(a) This Agreement, and the rights and obligations of each and all of the Partners hereunder, shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to conflict of laws rules thereof.

(b) Subject to Section 9.8(c), any dispute, controversy, suit, action or proceeding arising out of or relating to this Agreement will be settled exclusively by arbitration, conducted before a single arbitrator in New York County, New York (applying Cayman Islands law) in accordance with, and pursuant to, the applicable rules of JAMS ("JAMS"). The arbitration shall be conducted on a strictly confidential basis, and none of the parties shall disclose the existence of a claim, the nature of a claim, any documents, exhibits, or information exchanged or presented in connection with such a claim, or the result of any action, to any third party, except as required by law, with the sole exception of their legal counsel and parties engaged by that counsel to assist in the arbitration process, who also shall be bound by these confidentiality terms. The decision of the arbitrator will be final and binding upon the parties hereto. Any arbitral award may be entered as a judgment or order in any court of competent jurisdiction. Either party may commence litigation in court to obtain injunctive relief in aid of arbitration, to compel arbitration, or to confirm or vacate an award, to the extent authorized by the United States Federal Arbitration Act or the New York Arbitration Act. The party that is determined by the arbitrator not to be the prevailing party will pay all of the JAMS administrative fees, the arbitrator's fee and expenses. If neither party is so determined, such fees shall be shared. Each party shall be responsible for such party's attorneys' fees. IF THIS AGREEMENT TO ARBITRATE IS HELD INVALID OR UNENFORCEABLE THEN, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH PARTNER AND THE PARTNERSHIP WAIVE AND COVENANT THAT THE PARTNER AND THE PARTNERSHIP WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE

OR IN PART UNDER OR IN CONNECTION WITH THIS AGREEMENT, WHETHER NOW OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AND AGREE THAT ANY OF THE PARTNERSHIP OR ANY OF ITS AFFILIATES OR THE PARTNER MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTNERSHIP AND ITS AFFILIATES, ON THE ONE HAND, AND THE PARTNER, ON THE OTHER HAND, IRREVOCABLY TO WAIVE THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING WHATSOEVER BETWEEN SUCH PARTIES ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THAT ANY PROCEEDING PROPERLY HEARD BY A COURT UNDER THIS AGREEMENT WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

(c) Nothing in this Section 9.8 will prevent the General Partner or a Limited Partner from applying to a court for preliminary or interim relief or permanent injunction in a judicial proceeding (e.g., injunction or restraining order), in addition to and not in lieu of any other remedy to which it may be entitled at law or in equity, if such relief from a court is necessary to preserve the status quo pending resolution or to prevent serious and irreparable injury in connection with any breach or anticipated breach of any Restrictive Covenants; provided, that all parties explicitly waive all rights to seek preliminary, interim, injunctive or other relief in a judicial proceeding and all parties submit to the exclusive jurisdiction of the forum described in Section 9.8(b) hereto for any dispute or claim concerning continuing entitlement to distributions or other payments, even if such dispute or claim involves or relates to any Restrictive Covenants. For the purposes of this Section 9.8(c), each party hereto consents to the exclusive jurisdiction and venue of the courts of the Cayman Islands.

Section 9.9 Termination of Right of Action

Every right of action arising out of or in connection with this Agreement by or on behalf of any past, present or future Partner or the Partnership against any past, present or future Partner shall, to the fullest extent permitted by applicable law, irrespective of the place where the action may be brought and irrespective of the residence of any such Partner, cease and be barred by the expiration of three years from the date of the act or omission in respect of which such right of action arises.

Section 9.10 No Third Party Beneficiary

Except with respect to the rights of Covered Persons hereunder and the rights of any Person which retains indemnification rights pursuant to Section 5.7(b), each of whom shall be an intended third party beneficiary and shall be entitled to enforce the provisions of Section 5.7, none of the provisions of this Agreement shall be for the benefit of or enforceable by the creditors of the Partnership and this Agreement shall be binding upon and inure to the benefit of the Partners and their respective legal representatives, successors and permitted assigns. Without limitation to the foregoing, a Person who is not a party to this Agreement may not, in its own right or otherwise, enforce any term of this Agreement except that each Covered Person and any Person which retains indemnification rights pursuant to Section 5.7, may in its own right enforce directly its rights pursuant to the provisions of Section 5.7 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act (as amended), as amended, modified,

re-enacted or replaced. Notwithstanding any other term of this Agreement, the consent of, or notice to, any Person who is not a party to this Agreement (including, without limitation, any Covered Person and any Person which retains indemnification rights pursuant to Section 5.7) is not required for any amendment to, or variation, release, rescission or termination of this Agreement.

Section 9.11 Reports

As soon as practicable after the end of each taxable year, the General Partner shall furnish to each Limited Partner (a) such information as may be required to enable each Limited Partner to properly report for United States federal and state income tax purposes his distributive share of each Partnership item of income, gain, loss, deduction or credit for such year, and (b) a statement of the total amount of Operating Profit or Operating Loss for such year, including a copy of the United States Internal Revenue Service Schedule "K-1" issued by the Partnership to such Limited Partner, and a reconciliation of any difference between (i) such Operating Profit or Operating Loss, and (ii) the aggregate net profits or net losses allocated by the Funds to the Partnership for such year (other than any difference attributable to the aggregate Capital Profit or Capital Loss allocated by the Funds to the Partnership for such year).

Section 9.12 Limited Partner Information

Other than what has been expressly agreed to be provided to the Limited Partners herein, the Limited Partners are not entitled to any other additional information regarding the Partnership (including for the purposes of section 22 of the Partnership Act (which is disappplied with respect to the Partnership)) unless agreed by the General Partner in its sole discretion.

Section 9.13 Filings

The Partners hereby agree to take any measures necessary (or, if applicable, refrain from any action) to ensure that the Partnership is treated as a partnership for federal, state and local income tax purposes.

Section 9.14 Headings, Gender, Etc.

The section headings in this Agreement are for convenience of reference only, and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof. As used herein, masculine pronouns shall include the feminine and neuter, and the singular shall be deemed to include the plural.

Section 9.15 Electronic Signatures

This words "executed," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act or the Electronic Transactions Act (as amended) of the Cayman Islands. This Agreement may be executed in any number of

counterparts, each of which shall be deemed an original of this Agreement and all of which together shall constitute one and the same instrument.

Section 9.16 Severability of Provisions

Each provision of this Agreement shall be considered severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

Signature Page Follows

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as a deed on the day and year first above written.

General Partner:

Apollo EPF IV Capital Management, LLC,

By: /s/ Matthew Breitfelder
Name: Matthew Breitfelder
Title: Vice President

Limited Partner:

APH HOLDINGS (DC), L.P.

By: Apollo Principal Holdings IV GP, Ltd.,
its general partner

By: /s/ Matthew Breitfelder
Name: Matthew Breitfelder
Title: Vice President

Limited Partners:

Executed as a deed by APOLLO EPF IV CAPITAL MANAGEMENT, LLC as attorney-in-fact for and on behalf of all relevant Limited Partners listed on the Schedule of Partners (other than any Limited Partner whose signature appears above) who are being admitted to the Partnership on the date of this Agreement as Limited Partners pursuant to powers of attorney granted to the General Partner:

By: Apollo EPF IV Capital Management, LLC,
as attorney-in-fact

By: /s/ Matthew Breitfelder
Name: Matthew Breitfelder
Title: Vice President

*Apollo EPF Advisors IV, L.P.
Amended and Restated Limited Partnership Agreement
Signature Page*

For the purposes of Section 9.1(c):

APOLLO CO-INVESTORS MANAGER, LLC

By: /s/ Matthew Breitfelder
Name: Matthew Breitfelder
Title: Vice President

*Apollo EPF Advisors IV, L.P.
Amended and Restated Limited Partnership Agreement
Signature Page*

Definition of Bad Act

“*Bad Act*” means a Limited Partner’s:

- (a) commission of an intentional violation of a material law or regulation in connection with any transaction involving the purchase, sale, loan, pledge or other disposition of, or the rendering of investment advice with respect to, any security, asset, futures or forward contract, insurance contract, debt instrument or currency, in each case, that has a significant adverse effect on the Limited Partner’s ability to perform services to AGM or any of its Affiliates;
- (b) commission of an intentional and material breach of a material provision of a written AGM code of ethics;
- (c) commission of intentional misconduct in connection with the performance of services for AGM or any of its Affiliates;
- (d) commission of any misconduct that, individually or in the aggregate, has caused or substantially contributed to, or is reasonably likely to cause or substantially contribute to, material economic or reputational harm to AGM or any of its Affiliates (excluding any mistake of judgment made in good faith);
- (e) conviction of a felony or plea of no contest to a felony charge, in each case if such felony relates to AGM or any of its Affiliates;
- (f) fraud in connection with the Limited Partner’s performance of services for AGM or any of its Affiliates; or
- (g) embezzlement from AGM or any of its Affiliates or interest holders;

provided, that

- (i) the Limited Partner has failed to cure within fifteen Business Days after notice thereof (delivered in accordance with Section 9.5), to the extent such occurrence is susceptible to cure, the items set forth in clauses (b) and (d), and
- (ii) during the pendency of any internal or external investigation related to any potential Bad Act, AGM and its Affiliates may suspend payment of any distributions in respect of the Limited Partner’s Points, and if (A) the Limited Partner is later acquitted or otherwise exonerated from such investigation, or (B) the Limited Partner’s employment or service with AGM or its applicable Affiliate does not terminate, then (1) the Limited Partner shall receive all such accrued but unpaid distributions with respect to the Limited Partner’s vested Points, with interest calculated from the date such distributions were suspended at the prime lending rate in effect on the date of such suspension, and (2) throughout the period of suspension (or until the date of termination of employment or service, if earlier), distributions with respect to the Limited Partner’s unvested Points shall continue to accrue, and the Limited Partner’s Points shall continue to vest, in accordance with the terms and conditions set forth herein and in the Award Letters.

For purposes of this Annex A, the term “Affiliate” includes issuers of Portfolio Investments.

EXECUTION VERSION

This exempted limited partnership is the general partner or special limited partner of each Fund (as defined herein), and earns the “carried interest” on the Funds’ profits.

Apollo Infrastructure Opportunities Advisors II, L.P.

Amended and Restated Exempted Limited Partnership Agreement

Dated February 10, 2022
with a deemed effective date as among the parties hereto of July 10, 2020

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APOLLO INFRASTRUCTURE OPPORTUNITIES ADVISORS II, L.P.

A Cayman Islands Exempted Limited Partnership

AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT

AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT of APOLLO INFRASTRUCTURE OPPORTUNITIES ADVISORS II, L.P. dated February 10, 2022 with a deemed effective date as among the parties hereto of July 10, 2020, by and among Apollo Infrastructure Opportunities Advisors II GP, LLC, a Delaware limited liability company, as the sole general partner, and the persons whose names and addresses are set forth in the Schedule of Partners under the caption “Limited Partners” as the limited partners.

WITNESSETH:

WHEREAS, on December 9, 2019, the General Partner filed with the Registrar a statement (the “Section 9 Statement”) under section 9 of the Exempted Limited Partnership Act (as amended) of the Cayman Islands (the “Partnership Act”) to form the Partnership as an exempted limited partnership under the Partnership Act,

WHEREAS, the General Partner and APH entered into the Exempted Limited Partnership Agreement of the Partnership, dated December 9, 2019 and on June 14, 2021 entered into Amendment No. 1 to such agreement (together, the “Original Agreement”), and

WHEREAS, in connection with the admission of additional Limited Partners, the parties wish to amend and restate the Original Agreement in its entirety to reflect certain matters as set forth herein.

NOW, THEREFORE, the parties hereby agree as follows:

**ARTICLE 1
DEFINITIONS**

Capitalized terms used but not otherwise defined herein have the following meanings:

“*AEOP*” means (a) legislation known as the U.S. Foreign Account Tax Compliance Act, sections 1471 through 1474 of the Code and any associated legislation, regulations (whether proposed, temporary or final) or guidance, any applicable intergovernmental agreement and related statutes, regulations or rules, and other guidance thereunder, (b) any other similar legislation, regulations, or guidance enacted in any other jurisdiction which seeks to implement similar financial account information reporting and/or withholding tax regimes, including the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters– the Common Reporting Standard and any associated guidance, (c) any other intergovernmental agreement, treaty, regulation, guidance, standard or other agreement entered into in order to comply with, facilitate, supplement or implement the legislation, regulations, guidance or

standards described in clauses (a) and (b) of this definition, and (d) any legislation, regulations or guidance in any jurisdiction that give effect to the matters outlined in the preceding clauses of this definition.

“*Affiliate*” means with respect to any Person any other Person directly or indirectly controlling, controlled by or under common control with such Person. Except as the context otherwise requires, the term “Affiliate” in relation to AGM includes each collective investment fund and other client account sponsored or managed by AGM or its affiliated asset management entities, but, in each case, does not include Portfolio Companies.

“*AGM*” means Apollo Global Management, Inc., a Delaware corporation.

“*AGM Shares*” has the meaning ascribed to such term in a Limited Partner’s Award Letter.

“*Agreement*” means this Amended and Restated Exempted Limited Partnership Agreement, as amended, restated or supplemented from time to time.

“*Alternative GP Vehicle*” has the meaning ascribed to that term in Section 3.9.

“*APH*” means (a) APH Holdings (DC), L.P., a Cayman Islands exempted limited partnership, and (b) any other entity formed by AGM or its Affiliates that holds Points, in its capacity as a Limited Partner, for the benefit (directly or indirectly) of (i) AGM, (ii) AP Professional Holdings, L.P. or (iii) employees or other service providers of Affiliates of AGM.

“*Award Letter*” means, with respect to any Limited Partner, the letter agreement between the Partnership and such Limited Partner (including any Annex thereto) setting forth (i) such Limited Partner’s Points, (ii) such Limited Partner’s vesting terms relating to Points, (iii) the formula applied to calculate the Holdback Amount with respect to such Limited Partner, (iv) any Restrictive Covenants with respect to such Limited Partner, (v) the definition of “Bad Act,” and (vi) any other terms applicable to such Limited Partner regarding the receipt and retention of Points, as the same may be modified, amended or supplemented from time to time.

“*Bad Act*” has the meaning ascribed to that term in a Limited Partner’s Award Letter.

“*BBA Audit Rules*” means sections 6221 through 6241 of the Code, as amended from time to time, and the Treasury Regulation (whether proposed, temporary or final), including any subsequent amendments and administrative guidance, promulgated thereunder (or which may be promulgated in the future), together with any similar United States state, local or non-U.S. law.

“*Book-Tax Difference*” means the difference between the Carrying Value of each asset referred to in the definition of Carrying Value and its adjusted tax basis for United States federal income tax purposes, as determined at the time of any of the events described in the definition of Carrying Value. The General Partner shall maintain an account in the name of each Limited Partner that reflects such Limited Partner’s share of any Book-Tax Difference. Book-Tax Difference shall be allocated to the Limited Partners in accordance with Points immediately prior to the relevant event described in the definition of Carrying Value, and the Newly-Admitted Limited Partner’s share of any such Book-Tax Difference shall be zero. If the amount of the Book-Tax Difference with respect to any Partnership asset as of any determination date (the “current determination date”) is less than the amount of such Book-Tax Difference as determined

as of the most recent prior determination date (the “prior determination date”), the General Partner has the discretion (but not the obligation) to make either of the following adjustments:

- (1) with respect to all Partners who were previously allocated a share of the Book-Tax Difference as of the prior determination date, to reduce their respective shares of such prior Book-Tax Difference by substituting the Book-Tax Difference as of the current determination date in place of the prior Book-Tax Difference, and to make corresponding reductions to the Catch Up Amounts previously applicable to any Newly-Admitted Limited Partners based on the Book-Tax Difference as of the prior determination date; or
- (2) for purposes of calculating and allocating the Book-Tax Difference as of the current determination date and the corresponding Catch Up Amounts applicable with respect to any Newly-Admitted Limited Partner being admitted as of the current determination date, to adopt the Book-Tax Difference as of the prior determination date rather than applying the Book-Tax Difference as of the current determination date (unless the adjustment contemplated by the preceding clause is being adopted with respect to all Partners).

The General Partner may establish a current determination date in order to implement the operation of clause (1) at a time other than a required determination date.

“*Capital Account*” means with respect to each Partner the capital account established and maintained on behalf of such Partner as described in Section 3.3.

“*Capital Loss*” means, for each Fund with respect to any Fiscal Year, the portion of any Net Loss and any Investment Loss allocable to the Partnership, but only to the extent such allocation is made by the relevant Fund to the Partnership in proportion to the Partnership’s capital contribution to such Fund, as determined pursuant to the relevant Fund LP Agreement.

“*Capital Profit*” means, for each Fund with respect to any Fiscal Year, the portion of any Net Income and any Investment Gain allocable to the Partnership, but only to the extent such allocation is made by the relevant Fund to the Partnership in proportion to the Partnership’s capital contribution to such Fund, as determined pursuant to the relevant Fund LP Agreement.

“*Carrying Value*” means, with respect to (i) the Partnership’s indirect interest in a Fund asset attributable to the Partnership’s interest in such Fund and (ii) any Partnership asset other than the interest in a Fund, the asset’s adjusted basis for United States federal income tax purposes, except that the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values (as determined by the General Partner), in accordance with the rules set forth in Treasury Regulation section 1.704-1(b)(2)(iv)(f) (without regard to whether the book basis of the Partnership’s assets is adjusted for such difference for purposes of sections 704(b) and (c) of the Code), except as otherwise provided herein, immediately prior to: (a) the date of the acquisition of any interests in the Partnership by any new Partner or of any additional interests by any existing Partner in exchange for more than a de minimis capital contribution; (b) the date of the distribution of more than a de minimis amount of any Partnership asset to a Partner, including cash as consideration for an interest in the Partnership; (c) the date of the grant

of more than a de minimis profits interest in the Partnership as consideration for the provision of services to or for the benefit of the Partnership by an existing Partner, or by a new Partner acting in his capacity as a Partner or in anticipation of becoming a Partner; or (d) the liquidation of the Partnership within the meaning of Treasury Regulation section 1.704-1(b)(2)(ii)(g); provided, that any adjustment pursuant to clauses (a), (b) and (c) above shall be made only if the General Partner reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately prior to such distribution to equal its fair market value (as determined by the General Partner). The Carrying Value of any asset contributed by a Partner to the Partnership shall be the fair market value (as determined by the General Partner) of the asset at the date of its contribution.

“*Catch Up Amount*” means the product derived by multiplying (a) the amount of any positive Book-Tax Difference present on the admission to the Partnership of a Newly-Admitted Limited Partner by (b) the percentage derived by dividing the number of Points issued to the Newly-Admitted Limited Partner, by the aggregate number of Points on the date the Newly-Admitted Limited Partner is admitted to the Partnership. The General Partner shall maintain an account in the name of each Newly-Admitted Limited Partner that reflects such Limited Partner’s Catch Up Amount, which shall be subject to adjustment as contemplated by the last two sentences in the definition of Book-Tax Difference (and on dispositions of the assets with such Book-Tax Difference for less than their Carrying Value as of a prior determination date), and which may be further adjusted to the extent the General Partner determines is necessary to cause the Catch Up Amount to be equal to the amount necessary to provide such Limited Partner with a requisite share of Partnership capital based on such Limited Partner’s Points in accordance with the terms of this Agreement and any side letter or similar agreement entered into by such Limited Partner pursuant to Section 9.1(b).

“*Clawback Payment*” means any payment required to be made by the Partnership to a Fund pursuant to section 10.3 of the Fund LP Agreement of such Fund.

“*Clawback Share*” means, as of the time of determination, with respect to any Limited Partner and any Clawback Payment, a portion of such Clawback Payment equal to (a) the cumulative amount distributed to such Limited Partner of Operating Profit attributable to a Fund, divided by (b) the cumulative amount so distributed to all Partners with respect to such Operating Profit attributable to such Fund.

“*Co-Investors (A)*” means Apollo Infrastructure Opportunities II Co-Investors (A), L.P., a Delaware limited partnership.

“*Co-Investors (A) Partnership Agreement*” means the amended and restated limited partnership agreement of Co-Investors (A), as amended from time to time.

“*Code*” means the United States Internal Revenue Code of 1986, as amended and as hereafter amended, or any successor law.

“*Covered Person*” has the meaning ascribed to that term in Section 5.7.

“*Designated Investment Distribution*” has the meaning ascribed to that term in Section 7.1(c).

“Diluted Limited Partner” means, with respect to each Newly-Admitted Limited Partner, the Partner or Partners from whom or from which the Points allocated to such Newly-Admitted Limited Partner(s) were reallocated.

“Disability” has the meaning ascribed to that term in the Apollo Global Management, Inc. 2019 Omnibus Equity Incentive Plan (or any successor thereto).

“Escrow Account” has the meaning ascribed to that term in each of the Fund LP Agreements.

“Final Adjudication” has the meaning ascribed to that term in Section 5.7.

“Final Distribution” has the meaning ascribed to that term in each of the Fund LP Agreements.

“Fiscal Year” means, with respect to a year, the period commencing on January 1 of such year and ending on December 31 of such year (or on the date of a final distribution pursuant to Section 8.1(a)), unless the General Partner shall elect another fiscal year for the Partnership which is a permissible taxable year under the Code.

“Fund” means each of Infra II, Infra II (TE 892), Infra II (Overseas), Infra II (Lux) and, to the extent the context so requires, each alternative investment vehicle created by those entities.

“Fund General Partner” means the Partnership in its capacity as a general partner or special limited partner of each Fund pursuant to the Fund LP Agreements.

“Fund LP Agreement” means the limited partnership agreement of a Fund, as amended from time to time, and, to the extent the context so requires, the corresponding constituent agreement, certificate or other document governing such Fund.

“General Partner” means Apollo Infrastructure Opportunities Advisors II GP, LLC, a Delaware limited liability company, in its capacity as general partner of the Partnership, or any successor to the business of the General Partner in its capacity as general partner of the Partnership.

“Holdback Amount” has the meaning ascribed to such term in a Limited Partner’s Award Letter.

“Home Address” has the meaning ascribed to such term in Section 9.3.

“Infra II” means Apollo Infrastructure Opportunities Fund II, L.P., a Delaware limited partnership.

“Infra II (TE 892)” means Apollo Infrastructure Opportunities Fund II (TE 892), L.P., a Delaware limited partnership.

“Infra II (Overseas)” means Apollo Infrastructure Opportunities Fund II (Overseas), L.P., a Delaware limited partnership.

“*Infra II (Lux)*” means Apollo Infrastructure Opportunities Fund II (Lux), SCSp, a Luxembourg special limited partnership.

“*Investment*” has the meaning ascribed to that term in each of the Fund LP Agreements. “*Investment Gain*” has the meaning ascribed to

that term in each of the Fund LP

Agreements.

“*Investment Loss*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*JAMS*” has the meaning ascribed to that term in Section 9.6(b).

“*Limited Partner*” means any Person admitted as a limited partner to the Partnership in accordance with this Agreement, including any Retired Partner, until such Person withdraws entirely as a limited partner of the Partnership, in his capacity as a limited partner of the Partnership. All references herein to a Limited Partner shall be construed as referring collectively to such Limited Partner and to each Related Party of such Limited Partner (and to each Person of which such Limited Partner is a Related Party) that also is or that previously was a Limited Partner, except to the extent that the General Partner determines that the context does not require such interpretation as between such Limited Partner and his Related Parties.

“*Management Company*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Net Income*” has the meaning ascribed to that term in each of the Fund LP Agreements. “*Net Loss*” has the meaning ascribed to that

term in each of the Fund LP Agreements. “*Newly-Admitted Limited Partner*” means any Limited Partner whose admission to the

Partnership causes an adjustment to Carrying Values pursuant to the definitions of “Carrying Value” and “Book-Tax Difference” (together with other Partners or Retired Partners so treated pursuant to Section 7.3).

“*Notice of Dissolution*” has the meaning ascribed to that term in Section 8.1(c). “*NYUCC*” has the meaning ascribed to that

term in Section 6.5(c).

“*Operating Loss*” means, with respect to any Fiscal Year, any net loss of the Partnership, adjusted to exclude (a) any Capital Profit or Capital Loss, and (b) the effect of any reorganization, restructuring or other capital transaction proceeds derived by the Partnership. To the extent derived from a Fund, any items of income, gain, loss, deduction and credit shall be determined in accordance with the same accounting policies, principles and procedures applicable to the determination by the relevant Fund, and any items not derived from a Fund shall be determined in accordance with the accounting policies, principles and procedures used by the Partnership for United States federal income tax purposes.

“*Operating Profit*” means, with respect to any Fiscal Year, any net income of the Partnership, adjusted to exclude (a) any Capital Profit or Capital Loss, and (b) the effect of any reorganization, restructuring or other capital transaction proceeds derived by the Partnership. To the extent derived from a Fund, any items of income, gain, loss, deduction and credit shall be determined in accordance with the same accounting policies, principles and procedures applicable to the determination by the relevant Fund, and any items not derived from a Fund shall be determined in accordance with the accounting policies, principles and procedures used by the Partnership for United States federal income tax purposes.

“*Original Agreement*” has the meaning ascribed to that term in the Recitals.

“*Partner*” means the General Partner or any of the Limited Partners, and “*Partners*” means the General Partner and all of the Limited Partners.

“*Partnership*” means Apollo Infrastructure Opportunities Advisors II, L.P., the exempted limited partnership continued pursuant to this Agreement.

“*Partnership Act*” has the meaning ascribed to that term in the Recitals.

“*Partnership Representative*” means the General Partner acting in the capacity of the “partnership representative” (as such term is defined under the BBA Audit Rules) or such other Person as is appointed to be the “partnership representative” (including, without limitation, a “designated individual” within the meaning of Treasury Regulation section 301.6223-1(b)(3) or any successor provision) by the General Partner from time to time.

“*Person*” means any individual, partnership (whether or not having separate legal personality), corporation, limited liability company, joint venture, joint stock company, unincorporated organization or association, trust (including the trustees thereof, in their capacity as such), government, governmental agency, political subdivision of any government, or other entity.

“*Point*” means a share of Operating Profit or Operating Loss, net of amounts distributed as Designated Investment Distributions. The aggregate number of Points available for assignment to all Partners shall be set forth in the books and records of the Partnership.

“*Portfolio Company*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Profits Interest*” has the meaning ascribed to that term in Section 6.1(d)(i).

“*Reference Rate*” means the interest rate announced publicly from time to time by JPMorgan Chase Bank in New York, New York as such bank’s prime rate.

“*Registrar*” means the Registrar of Exempted Limited Partnerships of the Cayman Islands.

“*Related Party*” means, with respect to any Limited Partner:

(a) any spouse, child, parent or other lineal descendant of such Limited Partner or such Limited Partner's parent, or any natural Person who occupies the same principal residence as the Limited Partner;

(b) any trust or estate in which the Limited Partner and any Related Party or Related Parties (other than such trust or estate) collectively have more than 80 percent of the beneficial interests (excluding contingent and charitable interests);

(c) any entity of which the Limited Partner and any Related Party or Related Parties (other than such entity) collectively are beneficial owners of more than 80 percent of the equity interest; and

(d) any Person with respect to whom such Limited Partner is a Related Party.

"Restrictive Covenants" means the restrictive covenants in favor of AGM or any of its Affiliates contained or referenced in a Limited Partner's Award Letter.

"Retired Partner" means any Limited Partner who has become a retired partner in accordance with or pursuant to Section 7.2.

"Schedule of Partners" means a schedule to be maintained by the General Partner showing the information required pursuant to Section 2.8 and the Partnership Act.

"Section 9 Statement" has the meaning ascribed to that term in the Recitals.

"Tax Obligation" has the meaning ascribed to that term in Section 4.2(a).

"Transfer" means any direct or indirect sale, exchange, transfer, assignment or other disposition by a Partner of any or all of his interest in the Partnership (whether respecting, for example, economic rights only or all the rights associated with the interest) to another Person, whether voluntary or involuntary.

"Treasury Regulation" means the United States income tax regulations promulgated under the Code, as amended.

"True Up Amount" means, with respect to each Newly-Admitted Limited Partner, the lesser of:

(a) such Newly-Admitted Limited Partner's aggregate unpaid Catch Up Amounts in respect of all distributions previously made to the Diluted Limited Partner with respect to Book-Tax Differences; and

(b) the product of (i) the amount, if any, by which (A) the aggregate amount of Operating Profit allocated to the Diluted Limited Partner following the admission of the Newly-Admitted Limited Partner, exceeds (B) the aggregate amount of the Book-Tax Differences arising in connection with such Newly-Admitted Limited Partner's admission (without taking

into account any adjustments made subsequent to such admission); and (ii) such Newly-Admitted Limited Partner's percent of the aggregate amounts described in clause (a) with respect to all Newly-Admitted Limited Partners with the same Diluted Limited Partner.

"U.S." or "United States" means the United States of America.

"Vested Points" has the meaning ascribed to that term in a Limited Partner's Award Letter.

"Voting Affiliated Feeder Fund" has the meaning ascribed to such term in each of the Fund LP Agreements.

ARTICLE 2 CONTINUATION AND ORGANIZATION

Section 2.1 Continuation

The Partnership is hereby continued pursuant to the Partnership Act and this Agreement. The General Partner shall execute, acknowledge and file any amendments to the Section 9 Statement as may be required by the Partnership Act and any other instruments, documents and certificates which, in the opinion of the Partnership's legal counsel, may from time to time be required by the laws of the Cayman Islands or any other jurisdiction in which the Partnership shall determine to do business, or any political subdivision or agency thereof, or which such legal counsel may deem necessary or appropriate to effectuate, implement and continue the valid and subsisting existence and business of the Partnership.

Section 2.2 Name

The name of the Partnership shall be "Apollo Infrastructure Opportunities Advisors II, L.P." or such other name as the General Partner hereafter may adopt upon causing an appropriate amendment to be made to this Agreement and to the Section 9 Statement to be filed in accordance with the Partnership Act. Promptly thereafter, the General Partner shall send notice thereof to each Limited Partner.

Section 2.3 Office

The registered office and registered agent for service of process on the Partnership shall be at the offices of Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands, or at such other place or places in the Cayman Islands as the General Partner may from time to time decide.

Section 2.4 Term of Partnership

(a) The term of the Partnership shall continue until the first to occur of the following, which occurrence will cause the commencement of the winding up of the Partnership:

- (i) the completion of the winding up, termination and dissolution (without continuation) of the Funds;

(ii) at any time there are no Limited Partners, unless the business of the Partnership is continued in accordance with the Partnership Act;

(iii) any event that results in the General Partner ceasing to be a general partner of the Partnership under the Partnership Act, provided, that the Partnership shall not be dissolved and required to be wound up in connection with any such event if (A) at the time of the occurrence of such event there is at least one remaining general partner of the Partnership who is hereby authorized to and does carry on the business of the Partnership, or (B) within 90 days after the occurrence of such event, a majority of the Limited Partners agree in writing or vote to continue the business of the Partnership and to the appointment, effective as of the date of such event, if required, of one or more additional general partners of the Partnership; and

(iv) the Grand Court of the Cayman Islands granting an order for the winding up of the Partnership pursuant to Section 36(3) of the Partnership Act.

(b) The parties agree that irreparable damage would be done to the goodwill and reputation of the Partners if any Limited Partner should bring an action to wind-up the Partnership. Care has been taken in this Agreement to provide for fair and just payment in liquidation of the interests of all Partners. Accordingly, to the fullest extent permitted by law, each Limited Partner hereby waives and renounces his right to such an order or to seek the appointment of a liquidator for the Partnership, except as provided herein.

Section 2.5 Purpose of the Partnership

The principal purpose of the Partnership is to act as the sole general partner or special limited partner (as the case may be) of each Fund and certain Voting Affiliated Feeder Funds pursuant to their respective Fund LP Agreements or other governing documents and to undertake such related and incidental activities and execute and deliver such related documents necessary or incidental thereto. The purpose of the Partnership shall be limited to serving as a general partner or special limited partner of direct investment funds, including any of their Affiliates, and the provision of investment management and advisory services.

Section 2.6 Actions by Partnership

The Partnership may execute, deliver and perform, and the General Partner may execute and deliver on behalf of the Partnership, all contracts, agreements and other undertakings, and engage in all activities and transactions as may in the opinion of the General Partner be necessary or advisable to carry out the objects and purposes of the Partnership, without the approval or vote of any Limited Partner.

Section 2.7 Admission of Limited Partners

On the date hereof, the Persons whose names are set forth in the Schedule of Partners under the caption "Limited Partners" shall be admitted to the Partnership or shall continue, as the case may be, as limited partners of the Partnership upon their execution of a counterpart of this Agreement or such other instrument evidencing, to the satisfaction of the General Partner, such

Limited Partner's intent to become a Limited Partner. Additional Limited Partners may be admitted to the Partnership in accordance with Section 6.1. Admission as a Limited Partner (including a Limited Partner admitted after the date hereof) will not change a Person's employment status with any Affiliate of the Partnership or make any such Person an employee of the Partnership.

Section 2.8 Schedule of Partners

The General Partner shall cause to be maintained at the principal office of the Partnership or such other place as the Partnership Act may permit, the Schedule of Partners, being a register of limited partnership interests and a record of contribution of the Limited Partners which shall include such information as may be required by the Partnership Act. The General Partner shall from time to time, update the Schedule of Partners as required by the Partnership Act to accurately reflect the information therein and no action of any Limited Partner shall be required to amend or update the Schedule of Partners. The Schedule of Partners shall not form part of this Agreement. The Schedule of Partners of the Partnership shall be the definitive record of ownership of each limited partnership interest and all relevant information with respect to each Partner. The Limited Partners shall only have the right to inspect the Schedule of Partners upon the prior consent of the General Partner.

ARTICLE 3 CAPITAL

Section 3.1 Contributions to Capital

a. Subject to the remaining provisions of this Section 3.1, (i) any required contribution of a Limited Partner to the capital of the Partnership shall be as set forth in the Schedule of Partners, and (ii) any such contributions to the capital of the Partnership shall be made as of the date of admission of such Limited Partner as a limited partner of the Partnership and as of each such other date as may be specified by the General Partner. Except as otherwise permitted by the General Partner, all contributions to the capital of the Partnership by each Limited Partner shall be payable exclusively in cash.

b. The Partnership has made a capital commitment to each Fund. APH will make capital contributions from time to time to the extent necessary to ensure that the Partnership meets its obligations to make contributions of capital to each Fund.

c. No Partner shall be obligated, nor shall any Partner have any right, to make any contribution to the capital of the Partnership other than as specified in this Section 3.1 or, in the case of a Diluted Limited Partner, as required by Section 4.1(e)(iii). No Limited Partner shall be obligated to restore any deficit balance in his Capital Account.

d. To the extent, if any, that at the time of the Final Distribution, it is determined that the Partnership, as a general partner or special limited partner of each Fund, is required to make any Clawback Payment with respect to a Fund, each Limited Partner shall be required to participate in such payment and contribute to the Partnership for ultimate distribution to the limited partners of the relevant Fund an amount equal to such Limited Partner's Clawback Share of any Clawback Payment, but not in any event in excess of the cumulative amount theretofore distributed to such Limited Partner with respect to the Operating Profit attributable to such Fund.

For purposes of determining each Limited Partner's required contribution, each Limited Partner's allocable share of any Escrow Account, to the extent applied to satisfy a portion of a Clawback Payment, shall be treated as if it had been distributed to such Limited Partner and re-contributed by such Limited Partner pursuant to this Section 3.1(d) at the time of such application.

Section 3.2 Rights of Partners in Capital

- a. No Partner shall be entitled to interest on his capital contributions to the Partnership.
- b. No Partner shall have the right to distributions or the return of any contribution to the capital from the Partnership except (i) for distributions in accordance with Section 4.1, or (ii) upon dissolution of the Partnership. The entitlement to any such return at such time shall be limited to the value of the Capital Account of the Partner. The General Partner shall not be liable for the return of any such amounts.

Section 3.3 Capital Accounts

- a. The Partnership shall maintain for each Partner a separate Capital Account.
- b. Each Partner's Capital Account shall have an initial balance equal to the amount of cash and the net value of any securities or other property constituting such Partner's initial contribution to the capital of the Partnership.
- c. Each Partner's Capital Account shall be increased by the sum of:
 - i. the amount of cash and the net value of any securities or other property constituting additional contributions by such Partner to the capital of the Partnership permitted pursuant to Section 3.1, plus
 - ii. in the case of APH, any Capital Profit allocated to its Capital Account pursuant to Section 3.4, plus
 - iii. the portion of any Operating Profit allocated to such Partner's Capital Account pursuant to Section 3.4, plus
 - iv. such Partner's allocable share of any decreases in any reserves recorded by the Partnership pursuant to Section 3.6 and any receipts determined to be applicable to a prior period pursuant to Section 3.6(b), to the extent the General Partner determines that, pursuant to any provision of this Agreement, such item is to be credited to such Partner's Capital Account on a basis which is not in accordance with the current respective Points of all Partners.
- d. Each Partner's Capital Account shall be reduced by the sum of (without duplication):
 - i. in the case of APH, any Capital Loss allocated to its Capital Account pursuant to Section 3.4, plus

- ii. the portion of any Operating Loss allocated to such Partner's Capital Account pursuant to Section 3.4, plus
 - iii. the amount of any cash and the net value of any property distributed to such Partner pursuant to Section 4.1 or Section 8.1 including any amount deducted pursuant to Section 4.2 from any such amount distributed, plus
 - iv. any withholding taxes or other items payable by the Partnership and allocated to such Partner pursuant to Section 4.2, any increases in any reserves recorded by the Partnership pursuant to Section 3.6 and any payments determined to be applicable to a prior period pursuant to Section 3.6(b), to the extent the General Partner determines that, pursuant to any provision of this Agreement, such item is to be charged to such Partner's Capital Account on a basis which is not in accordance with the current respective Points of all Partners.
- e. If securities and/or other property are to be distributed in kind to the Partners or Retired Partners, including in connection with a liquidation pursuant to Section 8.1, they shall first be written up or down to their fair market value as of the date of such distribution, thus creating gain or loss for the Partnership, and the value of the securities and/or other property received by each Partner and each Retired Partner as so determined shall be debited against such Person's Capital Account at the time of distribution.

Section 3.4 Allocation of Profit and Loss

- a. Capital Profit and Operating Profit or Capital Loss and Operating Loss for any Fiscal Year shall be allocated to the Partners so as to produce Capital Accounts (computed after taking into account any other Capital Profit and Operating Profit or Capital Loss and Operating Loss for the Fiscal Year in which such event occurred and all distributions pursuant to Article 4 with respect to such Fiscal Year and after adding back each Partner's share, if any, of Partner Nonrecourse Debt Minimum Gain, as defined in Treasury Regulation sections 1.704 - 2(b)(2) and 1.704 - 2(i), or Partnership Minimum Gain, as defined in Treasury Regulation sections 1.704 - 2(b)(2) and 1.704 - 2(d)) for the Partners such that a distribution of an amount of cash equal to such Capital Account balances in accordance with such Capital Account balances would be in the amounts, sequence and priority set forth in Article 4; provided, that the General Partner may allocate Operating Profit and Operating Loss and items thereof in such other manner as it determines to be appropriate to reflect the Partners' interests in the Partnership.
- b. To the extent that the allocations of Capital Loss or Operating Loss contemplated by Section 3.4(a) would cause the Capital Account of any Limited Partner to be less than zero, such Capital Loss or Operating Loss shall to that extent instead be allocated to and debited against the Capital Account of the General Partner. Following any such adjustment pursuant to this Section 3.4(b) with respect to any Limited Partner, any Capital Profit or Operating Profit for any subsequent Fiscal Year which would otherwise be credited to the Capital Account of such Limited Partner pursuant to Section 3.4(a) shall instead be credited to the Capital Account of the General Partner until the cumulative amounts so credited to the Capital Account of the General Partner with respect to such Limited Partner pursuant to this Section 3.4(b) is equal to the cumulative amount debited against the Capital Account of the General Partner with respect to such Limited Partner pursuant to this Section 3.4(b).

- c. Each Limited Partner's rights and entitlements as a Limited Partner are limited to the rights to receive allocations and distributions of Capital Profit and Operating Profit expressly conferred by this Agreement, the Limited Partner's Award Letter and any side letter or similar agreement entered into pursuant to Section 9.1(b) and the other rights expressly conferred by this Agreement, the Limited Partner's Award Letter and any such side letter or similar agreement or required by the Partnership Act, and a Limited Partner shall not be entitled to any other allocations, distributions or payments in respect of his interest, or to have or exercise any other rights, privileges or powers.

Section 3.5 Tax Allocations

- a. For United States federal, state and local income tax purposes, Partnership income, gain, loss, deduction or credit (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in order to reflect the allocations of Capital Profit, Capital Loss, Operating Profit and Operating Loss pursuant to the provisions of Section 3.4 for such Fiscal Year, provided, that any taxable income or loss associated with any Book-Tax Difference shall be allocated for tax purposes in accordance with the principles of section 704(c) of the Code in any such manner (as is permitted under that Code section and the Treasury Regulation promulgated thereunder) as determined by the General Partner.
- b. If any Partner or Partners are treated for United States federal income tax purposes as realizing ordinary income because of receiving interests in the Partnership (whether under section 83 of the Code or under any similar provision of any law, rule or regulation), the issuance of such interests may, in the General Partner's discretion, be treated as a payment of the relevant cash amount by the Partnership to the issued Partner and, subsequently, a contribution of such cash amount by such Partner to the Partnership. Upon such issuance, all Partnership assets may, in the General Partner's discretion, be adjusted to equal their respective fair market values (as determined by the General Partner) in connection with such issuance and, immediately following such issuance, no Book-Tax Difference shall be reflected with respect to the issued Partner for such interests. Any deduction arising from the issuance of such interests shall be allocated to and among the Partners whose distributions are reduced as a result of such issuance.

Section 3.6 Reserves; Adjustments for Certain Future Events

- a. Appropriate reserves may be created, accrued and charged against the Operating Profit or Operating Loss for contingent liabilities, if any, as of the date any such contingent liability becomes known to the General Partner or as of each other date as the General Partner deems appropriate, such reserves to be in the amounts which the General Partner deems necessary or appropriate (whether or not in accordance with generally accepted accounting principles). The General Partner may increase or reduce any such reserve from time to time by such amounts as the General Partner deems necessary or appropriate. The amount of any such reserve, or any increase or decrease therein, shall be proportionately charged or credited, as appropriate, to the Capital Accounts of those parties who are Partners at the time when such reserve is created, increased or decreased, as the case may be, in proportion

to their respective Points at such time; provided, that the General Partner may (but is under no obligation to) charge or credit the amount of such reserve, increase or decrease to those parties who were Partners at the time, as determined by the General Partner, of the act or omission giving rise to the contingent liability for which the reserve item was established in proportion to their respective Points at that time. The amount of any such reserve charged against the Capital Account of a Partner shall reduce the distributions such Partner would otherwise be entitled to under Section 4.1 or Section 8.1 hereof; and the amount of any such reserve credited to the Capital Account of a Partner shall increase the distributions such Partner would otherwise be entitled to under Section 4.1 or Section 8.1 hereof.

- b. If any amount paid by the Partnership was not previously accrued or reserved for but would nevertheless, in accordance with the Partnership's accounting practices, be treated as applicable to one or more prior periods, then the General Partner may (but is under no obligation to) charge such amount to those parties who were Partners during such prior period or periods, based on each such Partner's Points for such applicable period.
- c. Any amount required to be charged pursuant to Section 3.6(a) or (b) shall be debited against the current balance in the Capital Account of the affected Partners. To the extent that the aggregate current Capital Account balances of such affected Partners are insufficient to cover the full amount of the required charge, the deficiency shall be debited against the Capital Accounts of the other Partners in proportion to their respective Capital Account balances at such time; provided, that each such other Partner shall be entitled to a preferential allocation, in proportion to and to the extent of such other Partner's share of any such deficiency, together with a carrying charge at a rate equal to the Reference Rate, of any Operating Profit that would otherwise have been allocable after the date of such charge to the Capital Accounts of the affected Partners whose Capital Accounts were insufficient to cover the full amount of the required charge. In no event shall a current or former Partner be obligated to satisfy any amount required to be charged pursuant to Section 3.6(a) or (b) other than by means of a debit against such Partner's Capital Account.

Section 3.7 Finality and Binding Effect of General Partner's Determinations

All matters concerning the determination, valuation and allocation among the Partners with respect to any profit or loss of the Partnership and any associated items of income, gain, deduction, loss and credit, pursuant to any provision of this Article 3, including any accounting procedures applicable thereto, shall be determined by the General Partner unless specifically and expressly otherwise provided for by the provisions of this Agreement, and such determinations and allocations shall be final and binding on all the Partners.

Section 3.8 AEOI

- a. Each Limited Partner:
 - i. shall provide, in a timely manner, such information regarding the Limited Partner and its beneficial owners and/or controlling persons and such forms or documentation as may be requested from time to time by the General Partner or the Partnership to enable the Partnership to comply with the requirements and

obligations imposed on it pursuant to AEOI and shall update such information as necessary;

- ii. acknowledges that any such forms or documentation provided to the Partnership or its agents pursuant to clause (i), or any financial or account information with respect to the Limited Partner's investment in the Partnership, may be disclosed to any governmental authority which collects information in accordance with AEOI and to any withholding agent where the provision of that information is required by such agent to avoid the application of any withholding tax on any payments to the Partnership;
 - iii. shall waive, and/or shall cooperate with the Partnership to obtain a waiver of, the provisions of any law which prohibits the disclosure by the Partnership, or by any of its agents, of the information or documentation requested from the Limited Partner pursuant to clause (i), prohibits the reporting of financial or account information by the Partnership or its agents required pursuant to AEOI or otherwise prevents compliance by the Partnership with its obligations under AEOI;
 - iv. acknowledges that, if it provides information and documentation that is in any way misleading, or it fails to provide and/or update the Partnership or its agents with the requested information and documentation necessary, in either case, to satisfy the Partnership's obligations under AEOI, the Partnership may (whether or not such action or inaction leads to compliance failures by the Partnership, or a risk of the Partnership or its investors being subject to withholding tax or other penalties under AEOI) take any action and/or pursue all remedies at its disposal, including compulsory withdrawal of the Limited Partner, and may hold back from any withdrawal proceeds, or deduct from the Limited Partner's Capital Account, any liabilities, costs, expenses or taxes caused (directly or indirectly) by the Limited Partner's action or inaction; and
 - v. shall have no claim against the Partnership, or its agents, for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Partnership in order to comply with AEOI.
- b. Each Limited Partner hereby indemnifies the General Partner and the Partnership and each of their respective partners, members, managers, officers, directors, employees and agents and holds them harmless from and against any AEOI-related liability, action, proceeding, claim, demand, costs, damages, expenses (including legal expenses), penalties or taxes whatsoever which such Person may incur as a result of any action or inaction (directly or indirectly) of such Limited Partner (or any Related Party) described in Section 3.8(a)(i) through (iv). This indemnification shall survive the Limited Partner's death or disposition of its interests in the Partnership.

Section 3.9 Alternative GP Vehicles

If the General Partner determines that for legal, tax, regulatory or other reasons (a) any investment or other activities of a Fund should be conducted through one or more alternative investment vehicles as contemplated by the relevant Fund LP Agreement, (b) any of such separate entities comprising such Fund should be managed or controlled by one or more separate entities

serving as a general partner or in a similar capacity (each, an “Alternative GP Vehicle”), and (c) some or all of the Partners should participate through any such Alternative GP Vehicle, the General Partner may require any or all of the Partners, as determined by the General Partner, to participate directly or indirectly through any such Alternative GP Vehicle and to undertake such related and incidental activities and execute and deliver such related documents necessary or incidental thereto with and/or in lieu of the Partnership, and the General Partner shall have all necessary authority to implement such Alternative GP Vehicle; provided, that to the maximum extent practicable and subject to applicable legal, tax, regulatory or similar technical reasons, each Partner shall have the same economic interest in all material respects in an Alternative GP Vehicle formed pursuant to this Section 3.9 as such Partner would have had if it had participated in all Investments through the Partnership, and the terms of such Alternative GP Vehicle shall be substantially the same in all material respects to those of the Partnership and this Agreement. Each Partner shall take such actions and execute such documents as the General Partner determines are reasonably needed to accomplish the foregoing.

ARTICLE 4 DISTRIBUTIONS

Section 4.1 Distributions

- a. Any amount of cash or property received as a distribution from a Fund by the Partnership in its capacity as a partner of such Fund, to the extent such amount is determined by reference to the capital commitment of the Partnership in, or the capital contributions of the Partnership to, such Fund, shall be promptly distributed by the Partnership to APH.
- b. The General Partner shall use reasonable efforts to cause the Partnership to distribute, as promptly as practicable after receipt by the Partnership, any available cash or property attributable to items included in the determination of Operating Profit, subject to the provisions of section 10.3 of the Fund LP Agreements and subject to the retention of such reserves as the General Partner considers appropriate for purposes of the prudent and efficient financial operation of the Partnership’s business including in accordance with Section 3.6. Any such distributions (before adjustment for Holdback Amounts) shall be made to Partners in proportion to their respective Points, determined:
 - i. in the case of any amount of cash or property received from a Fund that is attributable to the disposition of an Investment by such Fund, as of the date of such disposition; and
 - ii. in any other case, as of the date of receipt of such cash or property by the Partnership;

provided, that any cash or other property that the General Partner determines is attributable to a Book-Tax Difference shall be distributed to the Limited Partners that are entitled to a share of such Book-Tax Difference pursuant to the definition of “Book-Tax Difference,” with any such distribution to be in the proportion that each such Limited Partner’s allocated share of the applicable Book-Tax Difference bears to the total Book-Tax Difference of the asset giving rise to the cash or property. Notwithstanding the foregoing, the General Partner shall retain from the distribution amount apportioned to each Limited Partner any Holdback Amount with respect to such Limited Partner, to the extent required and as determined in accordance with such Limited Partner’s Award Letter.

- c. Distributions of amounts attributable to Operating Profit shall be made in cash; provided, that if the Partnership receives a distribution from a Fund in the form of property other than cash, the General Partner may distribute such property in kind to Partners in proportion to their respective Points.
- d. Any distributions or payments in respect of the interests of Limited Partners unrelated to Capital Profit or Operating Profit shall be made at such time, in such manner and to such Limited Partners as the General Partner shall determine.
- e. Except as the General Partner otherwise may determine, any Newly-Admitted Limited Partner shall have the right, after the distribution of any amounts attributable to Book-Tax Differences present at the time of such Newly-Admitted Limited Partner's admission pursuant to the proviso of Section 4.1(b) to the other Limited Partners, to receive a special distribution of the Catch Up Amount (before adjustment for Holdback Amounts).
 - i. Any such special distribution of the Catch Up Amount shall be in addition to the distributions to which the Newly-Admitted Limited Partner is entitled pursuant to Section 4.1(b) and shall be made to the Newly-Admitted Limited Partner (or, if there is more than one such Newly-Admitted Limited Partner, pro rata to all such Newly-Admitted Limited Partners based on the aggregate amount of such distributions each such Newly-Admitted Limited Partner has not yet received) from amounts otherwise distributable to the Diluted Limited Partner (including from distributions of Book-Tax Difference arising after such Newly-Admitted Limited Partner's admission), and shall reduce the amounts distributable to the Diluted Limited Partner pursuant to Section 4.1(b), until each applicable Newly-Admitted Limited Partner has received an amount equal to the applicable Catch Up Amount (before adjustment for Holdback Amounts).
 - iii. Any reallocation of Points to a Limited Partner who is not a Newly-Admitted Limited Partner pursuant to Article 7 shall include the right to receive any Catch Up Amount associated with such Points and shall succeed to any Book-Tax Difference accounts associated with such Points, except to the extent that the General Partner determines that the inclusion of such right would be inconsistent with the treatment of the reallocation of Points to such Limited Partner as a "profits interest" for income tax purposes.
 - iii. True Ups of Catch Up Amount. To the extent that a Newly-Admitted Limited Partner has a positive True Up Amount at the time specified in the final sentence of this Section 4.1(e)(iii), the General Partner will arrange for such Newly-Admitted Limited Partner to receive a distribution equal to such True Up Amount, to be sourced from (A) any amounts that would then or thereafter be distributable to the Diluted Limited Partner, (B) a mandatory capital contribution by the Diluted Limited Partner payable on demand by the General Partner, or (C) any combination of the foregoing. The General Partner shall be permitted to withhold or adjust the implementation of this Section 4.1(e)(iii) to the extent it determines that such action is necessary or appropriate to (x) carry out the objectives specified in Section 6.1(d), (y) prevent or mitigate the risk that the Newly-Admitted Limited Partner would be treated as receiving ordinary income for tax purposes (e.g., a guaranteed

payment under section 707(c) of the Code or as other services-related ordinary compensation), or (z) otherwise fairly and equitably achieve the intent of the affected parties. The determinations pursuant to this Section 4.1(e)(iii) will be made no later than the time of the final distribution by the Funds and reasonably promptly following such earlier date as the General Partner determines that the Partnership has no prospect of receiving any further distributions from the Funds comprising Operating Profit, and any required distribution of True Up Amounts will be made reasonably promptly following such determination.

Section 4.2 Withholding of Certain Amounts

- a. If the Partnership incurs a withholding or other tax obligation (a “Tax Obligation”) with respect to the share of Partnership income allocable to any Partner (including pursuant to section 6225 of the BBA Audit Rules), then the General Partner, without limitation of any other rights of the Partnership, may cause the amount of such Tax Obligation to be debited against the Capital Account of such Partner when the Partnership pays such Tax Obligation, and any amounts then or thereafter distributable to such Partner shall be reduced by the amount of such taxes. If the amount of such taxes is greater than any such then distributable amounts, then such Partner and any successor to such Partner’s interest shall indemnify and hold harmless the Partnership and the General Partner against, and shall pay to the Partnership as a contribution to the capital of the Partnership, upon demand of the General Partner, the amount of such excess.
- b. If a Tax Obligation is required to be paid by the Partnership (including with respect to a tax liability imposed under section 6225 of the BBA Audit Rules) and the General Partner determines that such amount is allocable to the interest in the Partnership of a Person that is at such time a Partner, such Tax Obligation shall be treated as being made on behalf of or with respect to such Partner for purposes of this Section 4.2(b) whether or not the tax in question applies to a taxable period of the Partnership during which such Partner held an interest in the Partnership. To the extent that any liability with respect to a Tax Obligation (including a liability imposed under section 6225 of the BBA Audit Rules) relates to a former Partner that has transferred all or a part of its interest in the Partnership, such former Partner (which in the case of a partial Transfer shall include a continuing Partner with respect to the portion of its interests in the Partnership so transferred) shall indemnify the Partnership for its allocable portion of such liability, unless otherwise agreed to by the General Partner in writing. Each Partner acknowledges that, notwithstanding the Transfer of all or any portion of its interest in the Partnership, it may remain liable to the Partnership, pursuant to this Section 4.2(b), for tax liabilities with respect to its allocable share of income and gain of the Partnership for the Partnership’s taxable years (or portions thereof) prior to such Transfer, as applicable (including any such liabilities imposed under section 6225 of the BBA Audit Rules).
- c. The General Partner may withhold from any distribution to any Limited Partner pursuant to this Agreement any other amounts due from such Limited Partner or a Related Party (without duplication) to the Partnership or to any other Affiliate of AGM pursuant to any binding agreement or published policy to the extent not otherwise paid. Any amounts so withheld shall be deemed distributed to such Limited Partner and shall be applied by the General Partner to discharge the obligation in respect of which such amounts were withheld.

Section 4.3 Limitation on Distributions

Notwithstanding any provision to the contrary contained in this Agreement, the Partnership, and the General Partner on behalf of the Partnership, shall not make a distribution to any Partner on account of his interest in the Partnership if such distribution would violate the Partnership Act or other applicable law.

Section 4.4 Distributions in Excess of Basis

Notwithstanding anything in this Agreement to the contrary, the General Partner may refrain from making, at any time prior to the dissolution of the Partnership, all or any portion of any cash distribution that otherwise would be made to a Partner or Retired Partner, if such distribution would exceed such Person's United States federal income tax basis in the Partnership. Any amount that is not distributed to a Partner or Retired Partner due to the preceding sentence, as determined by the General Partner, either shall be retained by the Partnership on such Person's behalf or loaned to such Person. Subject to the first sentence of this Section 4.4, 100% of any or all subsequent cash distributions shall be distributed to such Person (or, if there is more than one such Person, pro rata to all such Persons based on the aggregate amount of distributions each such Person has not yet received) until each such Person has received the same aggregate amount of distributions such Person would have received had distributions to such Person not been deferred pursuant to this Section 4.4. If any amount is loaned to a Partner or Retired Partner pursuant to this Section 4.4, (a) any amount thereafter distributable to such Person shall be applied to repay the principal amount of such loan, and (b) interest, if any, accrued or received by the Partnership on such loan shall be allocated and distributed to such Person. Any such loan shall be repaid no later than immediately prior to the satisfaction of all Partnership liabilities at the time of the liquidation of the Partnership. Until such repayment, for purposes of any determination hereunder based on amounts distributed to a Person, the principal amount of such loan shall be treated as having been distributed to such Person.

ARTICLE 5 MANAGEMENT

Section 5.1 Rights and Powers of the General Partner

- a. Subject to the terms and conditions of this Agreement, the General Partner shall have complete and exclusive responsibility (i) for all management decisions to be made on behalf of the Partnership, and (ii) for the conduct of the business and affairs of the Partnership, including all such decisions and all such business and affairs to be made or conducted by the Partnership in its capacity as Fund General Partner and as general partner of certain Voting Affiliated Feeder Funds.
- b. Without limiting the generality of the foregoing, the Partnership shall have full power and authority, and the General Partner shall have full power and authority, on its own behalf or on behalf of the Partnership, to execute, deliver or perform any contract, agreement or other undertaking that it may deem necessary or advisable for or incidental to the conduct of the business of the Partnership as contemplated by this Section 5.1, and to engage in or cause the Partnership to engage in all activities and transactions that it may deem necessary or

advisable for or incidental to the conduct of such business, including, without in any manner limiting the generality of the foregoing, delivering, executing or performing any contract, agreement, undertaking or transaction with any Partner or with any other Person having any business, financial or other relationship with any Partner or Partners. The Partnership, and the General Partner on behalf of the Partnership, may enter into and perform the Fund LP Agreements, any governing documents of the Voting Affiliated Feeder Funds and any documents contemplated thereby or related thereto and any amendments thereto, without any further act, vote or approval of any Person, including any Partner, notwithstanding any other provision of this Agreement. The General Partner is hereby authorized to enter into the documents described in the preceding sentence on behalf of the Partnership, but such authorization shall not be deemed a restriction on the power of the General Partner to enter into other documents on behalf of the Partnership.

- c. The Partnership Representative shall be permitted to take any and all actions under the BBA Audit Rules (including making or revoking the election referred to in section 6226 of the BBA Audit Rules and all other applicable tax elections) and to act as the Partnership Representative thereunder, and shall have any powers necessary to perform fully in such capacity, in consultation with the General Partner if the General Partner is not the Partnership Representative. The General Partner shall (or shall cause another Partnership Representative to) promptly inform the Limited Partners of any tax deficiencies assessed or proposed to be assessed (of which a Partnership Representative or the General Partner is actually aware) by any taxing authority against the Partnership or the Limited Partners. Notwithstanding anything to the contrary contained herein, the acts of the General Partner (and with respect to applicable tax matters, any other Partnership Representative) in carrying on the business of the Partnership as authorized herein shall bind the Partnership. Each Partner shall upon request supply the information necessary to properly give effect to any elections described in this Section 5.1(c) or to otherwise enable a Partnership Representative to implement the provisions of this Section 5.1(c) (including filing tax returns, defending tax audits or other similar proceedings and conducting tax planning). The Limited Partners agree to reasonably cooperate with the Partnership or General Partner, and undertake any action reasonably requested by the Partnership or the General Partner, in connection with any elections made by the Partnership Representative or as determined to be reasonably necessary by the Partnership Representative under the BBA Audit Rules.
- d. Each Partner agrees not to treat, on his United States federal income tax return or in any claim for a refund, any item of income, gain, loss, deduction or credit in a manner inconsistent with the treatment of such item by the Partnership. The General Partner shall have the exclusive authority to make any elections required or permitted to be made by the Partnership under any provisions of the Code or any other revenue law.

Section 5.2 Delegation of Duties

- a. Subject to Section 5.1, the General Partner may delegate to any Person or Persons any of the duties, powers and authority vested in it hereunder on such terms and conditions as it may consider appropriate.
- b. Without limiting the generality of Section 5.2(a), the General Partner shall have the power and authority to appoint any Person, including any Person who is a Limited Partner, to provide services to and act as an employee or agent of the Partnership and/or General

Partner, with such titles and duties as may be specified by the General Partner. Any Person appointed by the General Partner to serve as an employee or agent of the Partnership shall be subject to removal at any time by the General Partner, and shall report to and consult with the General Partner at such times and in such manner as the General Partner may direct.

- c. Any Person who is a Limited Partner and to whom the General Partner delegates any of its duties pursuant to this Section 5.2 or any other provision of this Agreement shall be subject to the same standard of care, and shall be entitled to the same rights of indemnification and exoneration, applicable to the General Partner under and pursuant to Section 5.7, unless such Person and the General Partner mutually agree to a different standard of care or right to indemnification and exoneration to which such Person shall be subject.
- d. The General Partner shall be permitted to designate one or more committees of the Partnership which committees may include Limited Partners as members. Any such committees shall have such powers and authority granted by the General Partner. Any Limited Partner who has agreed to serve on a committee shall not be deemed to have the power to bind or act for or on behalf of the Partnership in any manner and in no event shall a member of a committee be considered a general partner of the Partnership by agreement, estoppel or otherwise or be deemed to participate in the control and/or conduct of the business of the Partnership as a result of the performance of his duties hereunder or otherwise.
- e. The General Partner shall cause the Partnership to enter into an arrangement with the Management Company which arrangement shall require the Management Company to pay all costs and expenses of the Partnership.

Section 5.3 Transactions with Affiliates

To the fullest extent permitted by applicable law, the General Partner (or any Affiliate of the General Partner), when acting on behalf of the Partnership, is hereby authorized to (a) purchase property from, sell property to, lend money to or otherwise deal with any Affiliates, any Limited Partner, the Partnership, a Fund or any Affiliate of any of the foregoing Persons, and (b) obtain services from any Affiliates, any Limited Partner, the Partnership, a Fund or any Affiliate of the foregoing Persons.

Section 5.4 [Intentionally Omitted]

Section 5.5 Rights of Limited Partners

- a. Limited Partners shall have no right to take part in the management or control or in the conduct of the Partnership's business, nor shall they have any right or authority to act for the Partnership or to vote on matters other than as set forth in this Agreement or as required by applicable law.
- b. Without limiting the generality of the foregoing, the General Partner shall have the full and exclusive authority, without the consent of any Limited Partner, to compromise the

obligation of any Limited Partner to make a capital contribution or to return money or other property paid or distributed to such Limited Partner in violation of the Partnership Act.

- c. Nothing in this Agreement shall entitle any Partner to any compensation for services rendered to or on behalf of the Partnership as an agent or in any other capacity, except for any amounts payable in accordance with this Agreement.
- d. Subject to the Fund LP Agreements and to full compliance with AGM's code of ethics and other written policies relating to personal investment and any other transactions, membership in the Partnership shall not prohibit a Limited Partner from purchasing or selling as a passive investor any interest in any asset.

Section 5.6 Other Activities of General Partner

Nothing in this Agreement shall prohibit the General Partner from engaging in any activity other than acting as General Partner hereunder.

Section 5.7 Duty of Care; Indemnification

- a. The General Partner (including, without limitation, for this purpose each former and present director, officer, manager, member, employee and stockholder of the General Partner), the Partnership Representative and each Limited Partner (including any former Limited Partner) in his capacity as such, and to the extent such Limited Partner participates, directly or indirectly, in the Partnership's activities, whether or not a Retired Partner (each, a "Covered Person" and collectively, the "Covered Persons"), shall not be liable to the Partnership or to any of the other Partners for any loss, claim, damage or liability occasioned by any acts or omissions in the performance of his services hereunder, unless it shall ultimately be determined by final judicial decision from which there is no further right to appeal (a "Final Adjudication") that such loss, claim, damage or liability is due to an act or omission of a Covered Person (i) made in bad faith or with criminal intent, or (ii) that materially and adversely affected a Fund and that failed to satisfy the duty of care owed pursuant to the applicable Fund LP Agreement or as otherwise required by law.
- b. A Covered Person shall be indemnified to the fullest extent permitted by law by the Partnership against any losses, claims, damages, liabilities and expenses (including attorneys' fees, judgments, fines, penalties and amounts paid in settlement) incurred by or imposed upon him by reason of or in connection with any action taken or omitted by such Covered Person arising out of the Covered Person's status as a Partner or his activities on behalf of the Partnership, including in connection with any action, suit, investigation or proceeding before any judicial, administrative, regulatory or legislative body or agency to which it may be made a party or otherwise involved or with which it shall be threatened by reason of being or having been the General Partner, the Partnership Representative or a Limited Partner or by reason of serving or having served, at the request of the Partnership in its capacity as Fund General Partner, as a director, officer, consultant, advisor, manager, member or partner of any enterprise in which a Fund has or had a financial interest, including issuers of Investments; provided, that the Partnership may, but shall not be required to, indemnify a Covered Person with respect to any matter as to which there has been a Final Adjudication that his acts or his failure to act (i) were in bad faith or with criminal intent, or (ii) were of a nature that makes indemnification by the Funds

unavailable. The right to indemnification granted by this Section 5.7 shall be in addition to any rights to which a Covered Person may otherwise be entitled and shall inure to the benefit of the successors by operation of law or valid assigns of such Covered Person. The Partnership shall pay the expenses incurred by a Covered Person in defending a civil or criminal action, suit, investigation or proceeding in advance of the final disposition of such action, suit, investigation or proceeding (provided the foregoing was not instigated by the General Partner on behalf of the Partnership against the Covered Person), upon receipt of an undertaking by the Covered Person to repay such payment if there shall be a Final Adjudication that he is not entitled to indemnification as provided herein. In any suit brought by the Covered Person to enforce a right to indemnification hereunder it shall be a defense that the Covered Person has not met the applicable standard of conduct set forth in this Section 5.7, and in any suit in the name of the Partnership to recover expenses advanced pursuant to the terms of an undertaking the Partnership shall be entitled to recover such expenses upon Final Adjudication that the Covered Person has not met the applicable standard of conduct set forth in this Section 5.7. In any such suit brought to enforce a right to indemnification or to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Covered Person is not entitled to be indemnified, or to an advancement of expenses, shall be on the Partnership (or any Limited Partner acting derivatively or otherwise on behalf of the Partnership or the Limited Partners). The General Partner may not satisfy any right of indemnity or reimbursement granted in this Section 5.7 or to which it may be otherwise entitled except out of the assets of the Partnership (including, without limitation, insurance proceeds and rights pursuant to indemnification agreements), and no Partner shall be personally liable with respect to any such claim for indemnity or reimbursement. The General Partner may enter into appropriate indemnification agreements and/or arrangements reflective of the provisions of this Article 5 and obtain appropriate insurance coverage on behalf and at the expense of the Partnership to secure the Partnership's indemnification obligations hereunder. Each Covered Person shall be deemed an intended third party beneficiary (to the extent not a direct party hereto) to this Agreement and, in particular, the provisions of this Article 5, and shall be entitled to the benefit of the indemnity granted to the Partnership by each of the Funds pursuant to the terms of the Fund LP Agreements.

- c. To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or the Partners, the Covered Person shall not be liable to the Partnership or to any Partner for his good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities of a Covered Person otherwise existing at law or in equity to the Partnership or the Partners, are agreed by the Partners to replace such other duties and liabilities of each such Covered Person to the fullest extent permitted by applicable law.
- d. Notwithstanding any of the foregoing provisions of this Section 5.7, the Partnership may but shall not be required to indemnify (i) a Retired Partner (or any other former Limited Partner) with respect to any claim for indemnification or advancement of expenses arising from any conduct occurring more than six months after the date of such Person's retirement (or other withdrawal or departure), (ii) a Limited Partner with respect to any claim for indemnification or advancement of expenses as a director, officer or agent of the issuer of any Investment to the extent arising from conduct in such capacity occurring more than six months after the complete disposition of such Investment by a Fund, or (iii) any Person to the extent the General Partner so determines.

Section 5.8 Discretion; Good Faith

Except as otherwise expressly provided herein or as required by law, each power and authority vested in the General Partner by or pursuant to any provisions of this Agreement, any Award Letter, any side letter or similar agreement, or the Partnership Act shall be construed as being exercisable by the General Partner in its sole and absolute discretion. To the fullest extent permitted by law and notwithstanding any other provision of this Agreement, any Award Letter or in any other agreement contemplated herein or applicable provisions of law or equity or otherwise, whenever in this Agreement the General Partner is authorized to make a decision (a) in its discretion (whether explicitly or pursuant to the preceding sentence) or under a grant of similar authority, the General Partner shall be entitled to consider only such interests and factors as it desires, including its and its Affiliates' own interests, and shall otherwise have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or any other Person, or (b) in its good faith or under another express standard, the General Partner shall act under such express standard and shall not be subject to any other or different standard, and may exercise its discretion differently with respect to different Limited Partners.

Section 5.9 Modification of Fiduciary Duties

To the fullest extent permitted by law and notwithstanding any other duties at law, in equity or otherwise, it is the intention of the parties hereto that if the General Partner and the Covered Persons act in accordance with their duties to the Funds, they shall not be in breach of any duty owed to the Partnership or its Partners and shall not have any liability in respect thereof.

ARTICLE 6 ADMISSIONS, TRANSFERS AND WITHDRAWALS

Section 6.1 Admission of Additional Limited Partners; Effect on Points

- a. The General Partner may admit at any time any Person as an additional Limited Partner, and may assign Points to such Person and/or increase the Points of any existing Limited Partner, in each case, subject to and in accordance with the remaining provisions of this Section 6.1 and Section 7.1.
- b. Subject to Section 6.1(c), each additional Limited Partner shall execute (i) either a counterpart to this Agreement, an Award Letter or another separate instrument evidencing, to the satisfaction of the General Partner, such Limited Partner's intent to become a Limited Partner and their agreement to adhere to and be bound to this Agreement, and (ii) the documents contemplated by Section 7.1(b), and shall be admitted as a Limited Partner upon such execution.
- c. Notwithstanding the foregoing, the General Partner may admit additional Limited Partners without requiring, at the time of admission, the execution of this Agreement or an Award Letter, or any other formalities, by delivering a written notice of admission to the proposed additional Limited Partner (which may take the form of an email message) requesting a confirmation in response (which may also take the form of an email message). Upon receipt by the General Partner of such a confirmation (or waiver of such requirement by the General Partner), admission will be effective at the time and on the terms set forth in the

admission notice. Upon such admission, the Person so admitted shall be deemed to have adhered to and agreed to be bound by the terms and conditions of this Agreement and shall have the rights and be subject to the obligations contained in this Agreement as if such Person and all existing Partners had together duly executed and delivered this Agreement. If the admission notice does not specify the magnitude of the initial interest of the Limited Partner, such interest will be deemed to be not less than a 1/2000th share of the Partnership's net profits, subject to applicable terms relating to dilution, vesting, return of unvested distributions and forfeiture as may be specified in the admission notice or thereafter in an Award Letter issued by the General Partner containing terms not inconsistent with the admission notice. Upon receipt of such an Award Letter, the General Partner may require a Limited Partner to execute and deliver a counterpart thereof as a condition to the receipt of future distributions.

d. Profits Interests.

- i. The Partnership and each Partner agree (i) that the General Partner shall be permitted to issue an interest in the Partnership to any Partner intended to be treated as "*Profits Interests*" with respect to the Partnership, within the meaning of Rev. Proc. 93-27, 1993-2 C.B. 343, as clarified by Rev. Proc. 2001-43, 2001-34 I.R.B. 191; (ii) to treat any Profits Interests as such; and (iii) that the provisions of this Agreement shall be interpreted in a manner consistent with the intended status of any Profits Interest.
- ii. Any Profits Interests issued by the Partnership shall be subject to the following provision:

Absent a contrary determination by the General Partner based on a change in law governing the taxation of "profits interests": (A) the Partnership and each Partner shall treat each Partnership interest granted to such Partner as a Profits Interest; (B) the Partnership and each Partner shall treat each holder of a Profits Interest as the owner of such interest from the date such interest is granted until such interest is forfeited or otherwise disposed of; (C) each holder of a Profits Interest agrees to take into account such distributive share of the Partnership's income, gain, deduction and loss in computing its U.S. federal income tax liability for the entire period during which it holds such Profits Interest; and (D) each Partner agrees not to claim a deduction (as wages, compensation or otherwise) in respect of any Profits Interest either upon grant or vesting of the Profits Interest. Upon a change in law governing the taxation of "profits interests," each Partner shall take such actions as may be requested by the Partnership in response to such change in law, including agreeing to amend this Agreement in a manner the General Partner deems necessary or appropriate to reflect such change in law and reporting any such matters in their income tax returns as determined by the General Partner. Notwithstanding anything in this Agreement to the contrary, the General Partner is hereby authorized and empowered, without further vote or action of the Partners, to amend this Agreement as it deems necessary or appropriate to comply with the requirements of, or address changes to, any law applicable to the taxation of "profits interests."

Section 6.2 Admission of Additional General Partner

The General Partner may admit one or more additional general partners at any time without the consent of any Limited Partner. No reduction in the Points of any Limited Partner shall be made as a result of the admission of an additional general partner or the increase in the Points of any general partner without the consent of such Limited Partner. Any additional general partner shall be admitted as a general partner of the Partnership upon its execution of a counterpart signature page to this Agreement or a separate instrument evidencing their agreement to adhere to and be bound by this Agreement, and upon the filing of an amendment to the Section 9 Statement with the Registrar pursuant to the Partnership Act.

Section 6.3 Transfer of Interests of Limited Partners

- a. No Transfer of any Limited Partner's interest in the Partnership, whether voluntary or involuntary, shall be valid or effective, and no transferee shall become a substituted Limited Partner, unless the prior written consent of the General Partner has been obtained, which consent may be given or withheld by the General Partner. Notwithstanding the foregoing, any Limited Partner may Transfer to any Related Party of such Limited Partner all or part of such Limited Partner's interest in the Partnership (subject to continuing obligations of such Limited Partner, including, without limitation, in respect of vesting, Restrictive Covenants and the Holdback Amount or any AGM Shares acquired in respect thereof), including, without limitation, his, her or its right to receive distributions of Operating Profit (other than with respect to AGM Shares); ~~provided~~, that the Transfer has been previously approved in writing by the General Partner, such approval not to be unreasonably withheld. In the event of any Transfer, all of the conditions of the remainder of this Section 6.3 must also be satisfied.
- b. A Limited Partner or his legal representative shall give the General Partner notice before the proposed effective date of any voluntary Transfer and within 30 days after any involuntary Transfer, and shall provide sufficient information to allow legal counsel acting for the Partnership to make the determination that the proposed Transfer will not result in any of the following consequences:
 - i. require registration of the Partnership or any interest therein under any securities or commodities laws of any jurisdiction;
 - ii. result in a termination of the Partnership for U.S. tax purposes under section 708(b)(1)(B) of the Code or jeopardize the status of the Partnership as a partnership for United States federal income tax purposes; or
 - iii. violate, or cause the Partnership, the General Partner or any Limited Partner to violate, any applicable law, rule or regulation of any jurisdiction.

Such notice must be supported by proof of legal authority and a valid instrument of assignment acceptable to the General Partner.

- c. In the event any Transfer permitted by this Section 6.3 shall result in multiple ownership of any Limited Partner's interest in the Partnership, the General Partner may require one or more trustees or nominees to be designated to represent a portion of the interest transferred

or the entire interest transferred for the purpose of receiving all notices which may be given and all payments which may be made under this Agreement, and for the purpose of exercising the rights which the transferees have pursuant to the provisions of this Agreement.

- d. A permitted transferee shall be entitled to be paid the allocations and distributions attributable to the interest in the Partnership transferred to such transferee and to Transfer such interest in accordance with the terms of this Agreement; provided, that such transferee shall not be entitled to the other rights of a Limited Partner as a result of such transfer until he becomes a substituted Limited Partner. No transferee may become a substituted Limited Partner except with the prior written consent of the General Partner (which consent may be given or withheld by the General Partner, provided that in relation to the outgoing Limited Partner's Related Party such consent or approval must not be unreasonably withheld in accordance with Section 6.3(a)). Such transferee shall be admitted to the Partnership as a substituted Limited Partner upon execution of a counterpart of this Agreement or such other instrument evidencing, to the satisfaction of the General Partner, such Limited Partner's intent to become a Limited Partner and its agreement to adhere to and be bound to this Agreement. Notwithstanding the above, the Partnership and the General Partner shall incur no liability for allocations and distributions made in good faith to the transferring Limited Partner until a written instrument of Transfer has been received and accepted by the Partnership and recorded on its books and the effective date of the Transfer has passed.
- e. Any other provision of this Agreement to the contrary notwithstanding, to the fullest extent permitted by law, any successor or transferee of any Limited Partner's interest in the Partnership shall be bound by the provisions hereof. Prior to recognizing any Transfer in accordance with this Section 6.3, the General Partner may require the transferee to make certain representations and warranties to the Partnership and Partners and to accept, adopt and approve in writing all of the terms and provisions of this Agreement.
- f. In the event of a Transfer or in the event of a distribution of assets of the Partnership to any Partner, the Partnership, at the direction of the General Partner, may, but shall not be required to, file an election under section 754 of the Code and in accordance with the applicable Treasury Regulation, to cause the basis of the Partnership's assets to be adjusted as provided by section 734 or 743 of the Code.
- g. The Partnership shall maintain books for the purpose of registering the Transfer of partnership interests in the Partnership. No Transfer of a partnership interest shall be effective until the Transfer of the partnership interest is registered upon books maintained for that purpose by or on behalf of the Partnership.
- h. In the event of a Transfer of all of a Limited Partner's interest in the Partnership, such Limited Partner shall remain liable to the Partnership as contemplated by Section 4.2(b) and shall, if requested by the General Partner, expressly acknowledge such liability in such agreements as may be entered into by such Limited Partner in connection with such Transfer.

Section 6.4 Withdrawal of Partners

A Partner may not withdraw from the Partnership without the prior consent of the General Partner. The General Partner may prescribe the terms and conditions of any permitted withdrawal, and is under no duty to treat different Partners similarly with respect to any permitted withdrawal.

For the avoidance of doubt, any Limited Partner who transfers to a Related Party such Limited Partner's entire remaining entitlement to allocations and distributions shall remain a Limited Partner, notwithstanding the admission of the transferee Related Party as a Limited Partner, for as long as the transferee Related Party remains a Limited Partner.

Section 6.5 Pledges

- a. A Limited Partner shall not pledge, charge or grant a security interest in such Limited Partner's interest in the Partnership unless the prior written consent of the General Partner has been obtained (which consent may be given or withheld by the General Partner in its discretion).
- b. Notwithstanding Section 6.5(a) and subject to the requirements of applicable law, any Limited Partner may grant to a bank or other financial institution a security interest in such part of such Limited Partner's interest in the Partnership as relates solely to the right to receive distributions of Operating Profit in the ordinary course of obtaining bona fide loan financing to fund his contributions to the capital of the Partnership or Co-Investors (A). If the interest of the Limited Partner in the Partnership or Co-Investors (A) or any portion thereof in respect of which a Limited Partner has granted a security interest ceases to be owned by such Limited Partner in connection with the exercise by the secured party of remedies resulting from a default by such Limited Partner or upon the occurrence of such similar events with respect to such Limited Partner's interest in Co-Investors (A), such interest of the Limited Partner in the Partnership or portion thereof shall thereupon become a non-voting interest and the holder thereof shall not be entitled to vote on any matter pursuant to this Agreement.
- c. For purposes of the grant, pledge, charge, attachment or perfection of a security interest in a partnership interest in the Partnership or otherwise, each such partnership interest shall constitute a "security" within the meaning of, and governed by, (i) article 8 of the Uniform Commercial Code (including section 8-102(a)(15) thereof) as in effect from time to time in the State of New York (the "NYUCC"), and (ii) article 8 of the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.
- d. Any partnership interest in the Partnership may be evidenced by a certificate issued by the Partnership in such form as the General Partner may approve. Every certificate representing an interest in the Partnership shall bear a legend substantially in the following form:

Each partnership interest constitutes a "security" within the meaning of, and governed by, (i) article 8 of the Uniform Commercial Code (including section 8-102(a)(15) thereof) as in effect from time to time in the State of New York (the "UCC"), and (ii) article 8 of the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.

THE TRANSFER OF THIS CERTIFICATE AND THE PARTNERSHIP INTERESTS REPRESENTED HEREBY IS RESTRICTED AS DESCRIBED IN THE AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT OF THE PARTNERSHIP DATED FEBRUARY 10, 2022 WITH A DEEMED EFFECTIVE DATE AS AMONG THE PARTIES THERETO OF JULY 10, 2020, AS THE SAME MAY BE AMENDED OR RESTATED FROM TIME TO TIME.

- e. Each certificate representing a partnership interest in the Partnership shall be executed by manual, electronic or facsimile signature of the General Partner on behalf of the Partnership.
- f. Notwithstanding any provision of this Agreement to the contrary, to the extent that any provision of this Agreement is inconsistent with any non-waivable provision of article 8 of the NYUCC, such provision of article 8 of the NYUCC shall control.

ARTICLE 7

ALLOCATION OF POINTS; ADJUSTMENTS OF POINTS AND RETIREMENT OF PARTNERS

Section 7.1 Allocation of Points

- a. Except as otherwise provided herein, the General Partner shall be responsible for the allocation of Points from time to time to the Limited Partners. The General Partner may allocate Points to a new Limited Partner and/or increase the Points of any existing Limited Partner, in each case, solely in accordance with the terms and conditions set forth herein.
- b. Unless otherwise agreed by the General Partner, the allocation of Points to any Limited Partner shall not become effective until:
 - i. the receipt of the following documents, in form and substance reasonably satisfactory to the General Partner, executed by such Limited Partner: (A) a customary and standard guarantee or guarantees, for the benefit of Fund investors, of the Limited Partner's Clawback Share of the Partnership's obligation to make Clawback Payments, and (B) a customary and standard undertaking to reimburse APH for any payment made by it (or by another AGM Affiliate) that is attributable to such Limited Partner's Clawback Share of any Clawback Payment; and
 - ii. the effective date of the acceptance by Co-Investors (A) of a capital commitment from such Limited Partner (or his Related Party, as applicable) in an amount described in the Award Letter or in an amount equal to the percentage of total Fund commitments specified in the Points allocation notice delivered to such Limited Partner in writing by the General Partner. Upon the occurrence of a material default, after the expiration of the applicable cure period set forth in section 4.2 of the Co-Investors (A) Partnership Agreement, in the obligation to contribute capital to Co-Investors (A) in accordance with the Co-Investors (A) Partnership Agreement by a Limited Partner, the General Partner may reduce or eliminate the Points of any such Limited Partner (including the Vested Points of any Retired Partner).

- c. The General Partner shall maintain on the books and records of the Partnership a record of the number of Points allocated to each Partner and shall give notice to each Limited Partner of the number of such Limited Partner's Points upon admission to the Partnership of such Limited Partner and promptly upon any change in such Limited Partner's Points pursuant to this Article 7 and such notice shall include the calculations used by the General Partner to determine the amount of any such reduction. The Limited Partners shall not otherwise have the right to inspect the record of the number of Points allocated to each Partner, except upon prior consent of the General Partner.
- d. The General Partner may enter into an agreement pursuant to which any Person other than AGM or a subsidiary of AGM would be entitled to receive one or more distributions of or attributable to Operating Profit in an amount calculated by reference to the investment performance of one or more, but not all, specified Investments (each such distribution, a "Designated Investment Distribution"). In furtherance of the foregoing, the General Partner shall be entitled to make such equitable adjustments as it determines to be appropriate to give effect to the foregoing, including, without limitation, (i) reducing the amount of Operating Profit that would otherwise be distributable with respect to Points pursuant to Section 4.1(b) by the amount of any Designated Investment Distribution determined by the General Partner to be sourced or distributable from such Operating Profit, (ii) creating reserves out of Operating Profits for purposes of funding Designated Investment Distributions that are anticipated but not yet crystallized, and (iii) requiring any Limited Partner to return all or a portion of any distribution previously made to fund the payment of any such Designated Investment Distribution.

Section 7.2 Retirement of Partner

- a. A Limited Partner shall become a Retired Partner upon:
 - i. delivery to such Limited Partner of a notice by the General Partner or any of its Affiliates terminating such Limited Partner's employment by or service to AGM or an Affiliate thereof, unless otherwise determined by the General Partner;
 - ii. delivery by such Limited Partner of a notice to the General Partner, AGM or an Affiliate thereof stating that such Limited Partner elects to resign from or otherwise terminate his or her employment by or service to AGM or an Affiliate thereof; or
 - iii. the death of the Limited Partner, whereupon the estate of the deceased Limited Partner shall be treated as a Retired Partner in the place of the deceased Limited Partner, or the Disability of the Limited Partner.
- b. Nothing in this Agreement or at law or in equity shall obligate the General Partner to treat Retired Partners alike, and the exercise of any power or discretion by the General Partner in the case of any one such Retired Partner shall not create any obligation on the part of the General Partner to take any similar action in the case of any other such Retired Partner, it being understood that any power or discretion conferred upon the General Partner shall be treated as having been so conferred as to each such Retired Partner separately.

Section 7.3 Additional Points

If one or more Partners or Retired Partners is assigned additional Points and the General Partner determines in connection with such assignment that such assignment may be, for purposes of section 83 of the Code, a transfer in connection with the performance of services of an interest that would not qualify as a “profits interest” within the meaning of IRS Revenue Procedure 93-27, then the General Partner may make such adjustments to the amounts allocated and distributed to such Partner or Retired Partner with respect to such reallocated Points (and corresponding adjustments to other allocations and distributions for Partners and Retired Partners as determined by the General Partner) so as to cause such interest to qualify as a “profits interest” within the meaning of IRS Revenue Procedure 93-27, including by treating such reallocation as an event described in the definitions of “Carrying Value” and “Book-Tax Difference” and by treating such Partner or Retired Partner as a Newly-Admitted Limited Partner with respect to such Points.

ARTICLE 8 WINDING UP AND DISSOLUTION

Section 8.1 Winding Up and Dissolution of Partnership

- a. Upon the commencement of the winding up of the Partnership in accordance with the Partnership Act, the General Partner shall wind up the business and administrative affairs and liquidate the assets of the Partnership, except that, if the General Partner is unable to perform this function, a liquidator may be elected by a majority in interest (determined by Points) of Limited Partners and upon such election such liquidator shall liquidate the Partnership. Capital Profit and Capital Loss, Operating Profit and Operating Loss during the Fiscal Years that include the period of liquidation shall be allocated pursuant to Section 3.4. The proceeds from liquidation shall be distributed in the following manner:
 - i. first, the debts, liabilities and obligations of the Partnership including the expenses of liquidation (including legal and accounting expenses incurred in connection therewith), up to and including the date that distribution of the Partnership’s assets to the Partners has been completed, shall be satisfied (whether by payment or by making reasonable provision for payment thereof); and
 - ii. thereafter, the Partners shall be paid amounts pro rata in accordance with and up to the positive balances of their respective Capital Accounts, as adjusted pursuant to Article 3.
- b. Anything in this Section 8.1 to the contrary notwithstanding, the General Partner or liquidator may distribute ratably in kind rather than in cash, upon dissolution, any assets of the Partnership in accordance with the priorities set forth in Section 8.1(a), provided, that if any in kind distribution is to be made the assets distributed in kind shall be valued as of the actual date of their distribution and charged as so valued and distributed against amounts to be paid under Section 8.1(a).
- c. Following the completion of the winding up of the Partnership, the General Partner (or the liquidator as applicable) shall execute, acknowledge and cause to be filed a notice of

dissolution (the “Notice of Dissolution”) of the Partnership with the Registrar and the winding up of the Partnership shall be complete on the filing of the Notice of Dissolution.

ARTICLE 9 GENERAL PROVISIONS

Section 9.1 Amendment of Partnership Agreement and Co-Investors (A) Partnership Agreement

- a. The General Partner may amend this Agreement at any time, in whole or in part, without the consent of any Limited Partner by giving notice of such amendment to any Limited Partner whose rights or obligations as a Limited Partner pursuant to this Agreement are changed thereby; provided, that any amendment that would effect a material adverse change in the contractual rights or obligations of a Partner (such rights or obligations determined without regard to the amendment power reserved herein) may only be made if the written consent of such Partner is obtained prior to the effectiveness thereof; provided, that any amendment that increases a Partner’s obligation to contribute to the capital of the Partnership or increases such Partner’s Clawback Share shall not be effective with respect to such Partner, unless such Partner consents thereto in advance in writing. Notwithstanding the foregoing, the General Partner may amend this Agreement at any time, in whole or in part, without the consent of any Limited Partner to enable the Partnership to (i) comply with the requirements of the “Safe Harbor” Election within the meaning of the Proposed Revenue Procedure of Notice 2005-43, 2005-24 IRB 1, Proposed Treasury Regulation section 1.83-3(e)(1) or Proposed Treasury Regulation section 1.704- 1(b)(4)(xii) at such time as such proposed Procedure and Regulations are effective and to make any such other related changes as may be required by pronouncements or Treasury Regulation issued by the Internal Revenue Service or Treasury Department after the date of this Agreement and (ii) enable, when applicable, the Partnership (or the Partnership Representative) to comply with the BBA Audit Rules or to make any elections or take any other actions available thereunder; provided, that any amendment pursuant to clauses (i) or (ii) that would cause a Limited Partner’s rights to allocations and distributions to suffer a material adverse change only may be made if the written consent of such Limited Partner is obtained prior to the effectiveness thereof. An adjustment of Points shall not be considered an amendment to the extent effected in compliance with the provisions of Section 7.1 or Section 7.3 as in effect on the date hereof or as hereafter amended in compliance with the requirements of this Section 9.1(a). The General Partner’s approval of or consent to any transaction resulting in any change to the scheme of distribution under a Fund LP Agreement that would have the effect of reducing the Partnership’s allocable share of the Net Income of the relevant Fund shall require the consent of any Limited Partner on whom such change would have a material adverse effect.
- b. Notwithstanding the provisions of this Agreement, including Section 9.1(a), it is hereby acknowledged and agreed that the General Partner on its own behalf or on behalf of the Partnership without the approval of any Limited Partner or any other Person may enter into one or more side letters or similar agreements with one or more Limited Partners which have the effect of establishing rights under, or altering or supplementing the terms of this Agreement. The parties hereto agree that any terms contained in a side letter or similar agreement with one or more Limited Partners shall govern with respect to such Limited Partner or Limited Partners notwithstanding the provisions of this Agreement. Any such

side letters or similar agreements shall be binding upon the Partnership or the General Partner, as applicable, and the signatories thereto as if the terms were contained in this Agreement, but no such side letter or similar agreement between the General Partner and any Limited Partner or Limited Partners and the Partnership shall adversely amend the contractual rights or obligations of any other Limited Partner without such other Limited Partner's prior consent.

- c. The provisions of this Agreement that affect the terms of the Co-Investors (A) Partnership Agreement applicable to Limited Partners constitute a "side letter or similar agreement" between each Limited Partner and the general partner of Co-Investors (A), which has executed this Agreement exclusively for purposes of confirming the foregoing.

Section 9.2 Power-of-Attorney

- a. Each Partner hereby irrevocably makes, constitutes and appoints the General Partner with full power of substitution, the true and lawful representative and attorney-in-fact, and in the name, place and stead of such Partner, with the power from time to time to make, execute, sign, acknowledge, swear to, verify, deliver, record, file and/or publish:
 - i. any amendment to, or amendment and restatement of, this Agreement which complies with the provisions of this Agreement (including the provisions of Section 9.1);
 - ii. all such other instruments, documents and certificates which, in the opinion of legal counsel to the Partnership, may from time to time be required by the laws of the Cayman Islands, the United States of America or any other jurisdiction, or any political subdivision or agency thereof, or which such legal counsel may deem necessary or appropriate to effectuate, implement and continue the valid and subsisting existence and business of the Partnership as an exempted limited partnership;
 - iii. all such instruments, certificates, agreements and other documents relating to the conduct of the investment program of the Funds which, in the opinion of such attorney-in-fact and the legal counsel to the Funds, are reasonably necessary to accomplish the legal, regulatory and fiscal objectives of the Funds in connection with their acquisition, ownership and disposition of investments, including, without limitation:
 - A. the governing documents of any management entity formed as a part of the tax planning for the Funds and any amendments thereto; and
 - B. documents relating to any restructuring transaction with respect to any of the Funds' investments,

provided, that such documents referred to in clauses (A) and (B) above, viewed individually or in the aggregate, provide equivalent financial and economic rights and obligations with respect to such Limited Partner and otherwise do not:

- 1. increase the Limited Partner's financial obligation to make capital contributions with respect to the relevant Fund (directly or through any associated vehicle in which the Limited Partner holds an interest);

2. diminish the Limited Partner's entitlement to share in profits and distributions with respect to the relevant Fund (directly or through any associated vehicle in which the Limited Partner holds an interest);
 3. cause the Limited Partner to become subject to increased personal liability for any debts or obligations of the Partnership or other Partners; or
 4. otherwise result in an adverse change in the rights or obligations of the Limited Partner in relation to the conduct of the investment program of the Funds;
- iv. any instrument or document necessary or advisable to implement the provisions of Section 3.9 of this Agreement;
 - v. any written notice or letter of resignation from any board seat or office of any Person (other than a company that has a class of equity securities registered under the United States Securities Exchange Act of 1934, as amended, or that is registered under the United States Investment Company Act of 1940, as amended), which board seat or office was occupied or held at the request of the Partnership or any of its Affiliates; and
 - vi. all such proxies, consents, assignments and other documents as the General Partner determines to be necessary or advisable in connection with any merger or other reorganization, restructuring or other similar transaction entered into in accordance with this Agreement (including the provisions of Section 9.5(c)).
- b. Each Limited Partner is aware that the terms of this Agreement permit certain amendments to this Agreement to be effected and certain other actions to be taken or omitted by or with respect to the Partnership without his consent. If an amendment of the Section 9 Statement or this Agreement is made or any action by or with respect to the Partnership is taken by the General Partner in the manner contemplated by this Agreement, each Limited Partner agrees that, notwithstanding any objection which such Limited Partner may assert with respect to such action, the General Partner is authorized and empowered, with full power of substitution, to exercise the authority granted above in any manner which may be necessary or appropriate to permit such amendment to be made or action lawfully taken or omitted. Each Partner is fully aware that each other Partner will rely on the effectiveness of this power-of-attorney with a view to the orderly administration of the affairs of the Partnership. This power-of-attorney is a power-of-attorney and is intended to secure a proprietary interest and the performance of the obligations of each Limited Partner in favor of the General Partner and as such:
- i. shall be irrevocable and continue in full force and effect notwithstanding the subsequent death or incapacity of any party granting this power-of-attorney, regardless of whether the Partnership or the General Partner shall have had notice thereof; and
 - ii. shall survive any Transfer by a Limited Partner of the whole or any portion of its interest in the Partnership, except that, where the transferee thereof has been approved by the General Partner for admission to the Partnership as a substituted

Limited Partner, this power-of-attorney given by the transferor shall survive such Transfer for the sole purpose of enabling the General Partner to execute, acknowledge and file any instrument necessary to effect such substitution; and

- iii. extends to the heirs, executors, administrators, other legal representatives and successors, transferees and assigns of such Limited Partner, and may be exercised by the General Partner on behalf of such Limited Partner in executing any instrument by a facsimile or electronic signature or by listing all the Limited Partners and executing that instrument with a single signature as attorney and/or agent for all of them.

Section 9.3 Notices

Any notice required or permitted to be given under this Agreement shall be in writing. A notice to the General Partner shall be directed to the attention of Scott Kleinman with a copy to the general counsel of the Partnership. A notice to a Limited Partner shall be directed to such Limited Partner's last known residence as set forth in the books and records of the Partnership or its Affiliates (a Limited Partner's "Home Address"). A notice shall be considered given when delivered to the addressee either by hand at his Partnership office or electronically to the primary e-mail account supplied by the Partnership for Partnership business communications, except that a notice to a Retired Partner or a notice demanding cure of a Bad Act shall be considered given only when delivered by hand or by a recognized overnight courier, together with mailing through the United States Postal System by regular mail to such Retired Partner's Home Address.

Section 9.4 Agreement Binding Upon Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors by operation of law, but the rights and obligations of the Partners hereunder shall not be assignable, transferable or delegable except as expressly provided herein, and any attempted assignment, Transfer or delegation thereof that is not made in accordance with such express provisions shall be voidable and unenforceable.

Section 9.5 Merger, Consolidation, etc.

- a. Subject to Section 9.5(b) and Section 9.6(c), and to the extent permitted by law, the Partnership may merge or consolidate with or into one or more limited partnerships formed under the Partnership Act or other business entities pursuant to an agreement of merger or consolidation which has been approved by the General Partner and without the consent of any other Partner.
- b. Subject to Section 9.5(c) but notwithstanding any other provision to the contrary contained elsewhere in this Agreement, an agreement of merger or consolidation approved in accordance with Section 9.5(a) may, to the extent permitted by the Partnership Act and Section 9.5(a), (i) effect any amendment to this Agreement, (ii) effect the adoption of a new partnership agreement for the Partnership if it is the surviving or resulting limited partnership in the merger or consolidation, or (iii) provide that the partnership agreement of any other constituent limited partnership to the merger or consolidation (including a limited partnership formed for the purpose of consummating the merger or consolidation) shall be the partnership agreement of the surviving or resulting limited partnership.

- c. The General Partner shall have the power and authority to approve and implement any merger, consolidation or other reorganization, restructuring or similar transaction without the consent of any Limited Partner, other than any Limited Partner with respect to which such transaction will, or will reasonably be likely to, result in any change in the financial rights or obligations or material change in other rights or obligations of such Limited Partner conferred by this Agreement and any side letter or similar agreement entered into pursuant to Section 9.1(b) or the imposition of any new financial or other material obligation on such Limited Partner. Subject to the foregoing, the General Partner may require one or more of the Limited Partners to sell, exchange, Transfer or otherwise dispose of their interests in the Partnership in connection with any such transaction, and each Limited Partner shall take such action as may be directed by the General Partner to effect any such transaction.

Section 9.6 Governing Law; Dispute Resolution

- a. This Agreement, and the rights and obligations of each and all of the Partners hereunder, shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to conflict of laws rules thereof.
- b. Subject to Section 9.6(c), any dispute, controversy, suit, action or proceeding arising out of or relating to this Agreement will be settled exclusively by arbitration, conducted before a single arbitrator in New York County, New York (applying Cayman Islands law) in accordance with, and pursuant to, the applicable rules of JAMS (“JAMS”). The arbitration shall be conducted on a strictly confidential basis, and none of the parties shall disclose the existence of a claim, the nature of a claim, any documents, exhibits, or information exchanged or presented in connection with such a claim, or the result of any action, to any third party, except as required by law, with the sole exception of their legal counsel and parties engaged by that counsel to assist in the arbitration process, who also shall be bound by these confidentiality terms. The decision of the arbitrator will be final and binding upon the parties hereto. Any arbitral award may be entered as a judgment or order in any court of competent jurisdiction. Either party may commence litigation in court to obtain injunctive relief in aid of arbitration, to compel arbitration, or to confirm or vacate an award, to the extent authorized by the United States Federal Arbitration Act or the New York Arbitration Act. The party that is determined by the arbitrator not to be the prevailing party will pay all of the JAMS administrative fees, the arbitrator’s fee and expenses. If neither party is so determined, such fees shall be shared. Each party shall be responsible for such party’s attorneys’ fees. IF THIS AGREEMENT TO ARBITRATE IS HELD INVALID OR UNENFORCEABLE THEN, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH PARTNER AND THE PARTNERSHIP WAIVE AND COVENANT THAT THE PARTNER AND THE PARTNERSHIP WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS AGREEMENT, WHETHER NOW OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AND AGREE THAT ANY OF THE PARTNERSHIP OR ANY OF ITS AFFILIATES OR THE PARTNER MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTNERSHIP AND ITS

AFFILIATES, ON THE ONE HAND, AND THE PARTNER, ON THE OTHER HAND, IRREVOCABLY TO WAIVE THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING WHATSOEVER BETWEEN SUCH PARTIES ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THAT ANY PROCEEDING PROPERLY HEARD BY A COURT UNDER THIS AGREEMENT WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

- c. Nothing in this Section 9.6 will prevent the General Partner or a Limited Partner from applying to a court for preliminary or interim relief or permanent injunction in a judicial proceeding (e.g., injunction or restraining order), in addition to and not in lieu of any other remedy to which it may be entitled at law or in equity, if such relief from a court is necessary to preserve the status quo pending resolution or to prevent serious and irreparable injury in connection with any breach or anticipated breach of any Restrictive Covenants set forth in a Limited Partner's Award Letter; provided, that all parties explicitly waive all rights to seek preliminary, interim, injunctive or other relief in a judicial proceeding and all parties submit to the exclusive jurisdiction of the forum described in Section 9.6(b) hereto for any dispute or claim concerning continuing entitlement to distributions or other payments, even if such dispute or claim involves or relates to any Restrictive Covenants set forth in a Limited Partner's Award Letter. For the purposes of this Section 9.6(c), each party hereto consents to the exclusive jurisdiction and venue of the courts of the Cayman Islands.

Section 9.7 Termination of Right of Action

Every right of action arising out of or in connection with this Agreement by or on behalf of any past, present or future Partner or the Partnership against any past, present or future Partner shall, to the fullest extent permitted by applicable law, irrespective of the place where the action may be brought and irrespective of the residence of any such Partner, cease and be barred by the expiration of three years from the date of the act or omission in respect of which such right of action arises.

Section 9.8 No Third Party Beneficiary

Except with respect to the rights of Covered Persons hereunder and the rights of any Person which retains indemnification rights pursuant to Section 5.7(b), each of whom shall be an intended third party beneficiary and shall be entitled to enforce the provisions of Section 5.7, none of the provisions of this Agreement shall be for the benefit of or enforceable by the creditors of the Partnership and this Agreement shall be binding upon and inure to the benefit of the Partners and their respective legal representatives, successors and permitted assigns. Without limitation to the foregoing, a Person who is not a party to this Agreement may not, in its own right or otherwise, enforce any term of this Agreement except that each Covered Person and any Person which retains indemnification rights pursuant to Section 5.7, may in its own right enforce directly its rights pursuant to the provisions of Section 5.7 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act, as amended, modified, re-enacted or replaced. Notwithstanding any other term of this Agreement, the consent of, or notice to, any Person who is not a party to this Agreement (including, without limitation, any Covered Person and any Person which retains indemnification rights pursuant to Section 5.7) is not required for any amendment to, or variation, release, rescission or termination of this Agreement.

Section 9.9 Reports

As soon as practicable after the end of each taxable year, the General Partner shall furnish to each Limited Partner (a) such information as may be required to enable each Limited Partner to properly report for United States federal and state income tax purposes his distributive share of each Partnership item of income, gain, loss, deduction or credit for such year, and (b) a statement of the total amount of Operating Profit or Operating Loss for such year, including a copy of the United States Internal Revenue Service Schedule "K-1" issued by the Partnership to such Limited Partner, and a reconciliation of any difference between (i) such Operating Profit or Operating Loss, and (ii) the aggregate net profits or net losses allocated by the Funds to the Partnership for such year (other than any difference attributable to the aggregate Capital Profit or Capital Loss allocated by the Funds to the Partnership for such year).

Section 9.10 Filings

The Partners hereby agree to take any measures necessary (or, if applicable, refrain from any action) to ensure that the Partnership is treated as a partnership for federal, state and local income tax purposes.

Section 9.11 Headings, Gender, Etc.

The section headings in this Agreement are for convenience of reference only, and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof. As used herein, masculine pronouns shall include the feminine and neuter, and the singular shall be deemed to include the plural.

Section 9.12 Electronic Signature

The words "executed," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act or the Electronic Transactions Act (as amended) of the Cayman Islands. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement and all of which together shall constitute one and the same instrument.

Section 9.13 Severability of Provisions

Each provision of this Agreement shall be considered severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

Signature Page Follows

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as a deed on the day and year first above written.

General Partner:

APOLLO INFRASTRUCTURE
OPPORTUNITIES ADVISORS II GP, LLC

By: /s/ Matthew Breitfelder
Name: Matthew Breitfelder
Title: Vice President

Limited Partner:

APH HOLDINGS (DC), L.P.

By: Apollo Principal Holdings IV GP, Ltd.,
its general partner

By: /s/ Matthew Breitfelder
Name: Matthew Breitfelder
Title: Vice President

*Apollo Infrastructure Opportunities Advisors II, L.P.
Amended and Restated Exempted Limited Partnership Agreement
Signature Page*

Limited Partners:

Executed as a deed by APOLLO
INFRASTRUCTURE OPPORTUNITIES
ADVISORS II GP, LLC as attorney-in-fact for and
on behalf of all Persons listed on the Schedule of
Partners (other than any Limited Partner whose
signature appears above) who are being admitted to
the Partnership on the date of this Agreement as
Limited Partners pursuant to powers of attorney
granted to the General Partner:

By: Apollo Infrastructure Opportunities Advisors
II GP, LLC,
as attorney-in-fact

By: /s/ Matthew Breitfelder
Name: Matthew Breitfelder
Title: Vice President

*Apollo Infrastructure Opportunities Advisors II, L.P.
Amended and Restated Exempted Limited Partnership Agreement
Signature Page*

For purposes of Section 9.1(c):

APOLLO CO-INVESTORS MANAGER, LLC

By: /s/ Matthew Breitfelder

Name: Matthew Breitfelder

Title: Vice President

*Apollo Infrastructure Opportunities Advisors II, L.P.
Amended and Restated Exempted Limited Partnership Agreement
Signature Page*

EXECUTION VERSION

This exempted limited partnership is the general partner or special limited partner of each Fund (as defined herein), and earns the “carried interest” on the Funds’ profits.

Apollo Hybrid Value Advisors II, L.P.

Amended and Restated Exempted Limited Partnership Agreement

Dated March 31, 2022
with a deemed effective date as among the parties hereto of September 29, 2020

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APOLLO HYBRID VALUE ADVISORS II, L.P.

A Cayman Islands Exempted Limited Partnership

AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT

AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT of APOLLO HYBRID VALUE ADVISORS II, L.P. dated March 31, 2022 with a deemed effective date as among the parties hereto of September 29, 2020, by and among Apollo Hybrid Value Capital Management II, LLC, a Delaware limited liability company, as the sole general partner, and the persons whose names and addresses are set forth in the Schedule of Partners under the caption “Limited Partners” as the limited partners.

W I T N E S S E T H :

WHEREAS, on June 11, 2020, the General Partner filed with the Registrar a statement (the “Section 9 Statement”) under section 9 of the Exempted Limited Partnership Act (as amended) of the Cayman Islands (the “Partnership Act”) to form the Partnership as an exempted limited partnership under the Partnership Act,

WHEREAS, the General Partner and APH entered into the Exempted Limited Partnership Agreement of the Partnership, dated June 11, 2020 (the “Original Agreement”), and

WHEREAS, in connection with the admission of additional Limited Partners, the parties wish to amend and restate the Original Agreement in its entirety to reflect certain matters as set forth herein.

NOW, THEREFORE, the parties hereby agree as follows:

**ARTICLE 1
DEFINITIONS**

Capitalized terms used but not otherwise defined herein have the following meanings:

“*Administrative Committee*” means a committee authorized by the General Partner to perform the functions contemplated by Section 2.9 of this Agreement. Members of the Administrative Committee will be appointed and removed by the General Partner in its sole discretion from time to time.

“*Account Points*” has the meaning ascribed to that term in Section 2.9(a)(i).

“*AEOP*” means (a) legislation known as the U.S. Foreign Account Tax Compliance Act, sections 1471 through 1474 of the Code and any associated legislation, regulations (whether proposed, temporary or final) or guidance, any applicable intergovernmental agreement and related statutes, regulations or rules, and other guidance thereunder, (b) any other similar legislation, regulations, or guidance enacted in any other jurisdiction which seeks to implement

similar financial account information reporting and/or withholding tax regimes, including the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters– the Common Reporting Standard and any associated guidance, (c) any other intergovernmental agreement, treaty, regulation, guidance, standard or other agreement entered into in order to comply with, facilitate, supplement or implement the legislation, regulations, guidance or standards described in clauses (a) and (b) of this definition, and (d) any legislation, regulations or guidance in any jurisdiction that give effect to the matters outlined in the preceding clauses of this definition.

“*Affiliate*” means with respect to any Person any other Person directly or indirectly controlling, controlled by or under common control with such Person. Except as the context otherwise requires, the term “*Affiliate*” in relation to AGM includes each collective investment fund and other client account sponsored or managed by AGM or its affiliated asset management entities, but, in each case, does not include Portfolio Companies.

“*AGM*” means Apollo Global Management, Inc., a Delaware corporation.

“*AGM Shares*” has the meaning ascribed to such term in a Limited Partner’s Award Letter.

“*Agreement*” means this Amended and Restated Exempted Limited Partnership Agreement, as amended, restated or supplemented from time to time.

“*Alternative GP Vehicle*” has the meaning ascribed to that term in Section 3.9.

“*APH*” means (a) APH Holdings, L.P., a Cayman Islands exempted limited partnership, and (b) any other entity formed by AGM or its Affiliates that holds Points, in its capacity as a Limited Partner, for the benefit (directly or indirectly) of (i) AGM or (ii) employees or other service providers of Affiliates of AGM.

“*Award Letter*” means, with respect to any Limited Partner, the letter agreement between the Partnership and such Limited Partner (including any Annex thereto) setting forth (i) such Limited Partner’s Points, (ii) such Limited Partner’s vesting terms relating to Points, (iii) the formula applied to calculate the Holdback Amount with respect to such Limited Partner, (iv) any Restrictive Covenants with respect to such Limited Partner, (v) the definition of “*Bad Act*,” and (vi) any other terms applicable to such Limited Partner regarding the receipt and retention of Points, as the same may be modified, amended or supplemented from time to time.

“*Bad Act*” has the meaning ascribed to that term in a Limited Partner’s Award Letter.

“*BBA Audit Rules*” means sections 6221 through 6241 of the Code, as amended from time to time, and the Treasury Regulation (whether proposed, temporary or final), including any subsequent amendments and administrative guidance, promulgated thereunder (or which may be promulgated in the future), together with any similar United States state, local or non-U.S. law.

“*Book-Tax Difference*” means the difference between the Carrying Value of each asset referred to in the definition of Carrying Value and its adjusted tax basis for United States federal income tax purposes, as determined at the time of any of the events described in the definition of Carrying Value. The General Partner shall maintain an account in the name of each Limited Partner that reflects such Limited Partner’s share of any Book-Tax Difference. Book-Tax

Difference shall be allocated to the Limited Partners in accordance with Account Points and Discretionary Points in respect of the relevant Portfolio Investment immediately prior to the relevant event described in the definition of Carrying Value, and the Newly-Admitted Limited Partner's share of any such Book-Tax Difference shall be zero. If the amount of the Book-Tax Difference with respect to any Partnership asset as of any determination date (the "current determination date") is less than the amount of such Book-Tax Difference as determined as of the most recent prior determination date (the "prior determination date"), the General Partner has the discretion (but not the obligation) to make either of the following adjustments:

- (1) with respect to all Partners who were previously allocated a share of the Book-Tax Difference as of the prior determination date, to reduce their respective shares of such prior Book-Tax Difference by substituting the Book-Tax Difference as of the current determination date in place of the prior Book-Tax Difference, and to make corresponding reductions to the Catch Up Amounts previously applicable to any Newly-Admitted Limited Partners based on the Book-Tax Difference as of the prior determination date; or
- (2) for purposes of calculating and allocating the Book-Tax Difference as of the current determination date and the corresponding Catch Up Amounts applicable with respect to any Newly-Admitted Limited Partner being admitted as of the current determination date, to adopt the Book-Tax Difference as of the prior determination date rather than applying the Book-Tax Difference as of the current determination date (unless the adjustment contemplated by the preceding clause is being adopted with respect to all Partners).

The General Partner may establish a current determination date in order to implement the operation of clause (1) at a time other than a required determination date.

"Capital Account" means with respect to each Partner the capital account established and maintained on behalf of such Partner as described in Section 3.3.

"Capital Loss" means, for each Fund with respect to any Fiscal Year, the portion of any Net Loss and any Portfolio Investment Loss allocable to the Partnership, but only to the extent such allocation is made by the relevant Fund to the Partnership in proportion to the Partnership's capital contribution to such Fund, as determined pursuant to the relevant Fund LP Agreement.

"Capital Profit" means, for each Fund with respect to any Fiscal Year, the portion of any Net Income and any Portfolio Investment Gain allocable to the Partnership, but only to the extent such allocation is made by the relevant Fund to the Partnership in proportion to the Partnership's capital contribution to such Fund, as determined pursuant to the relevant Fund LP Agreement.

"Carrying Value" means, with respect to (i) the Partnership's indirect interest in a Fund asset attributable to the Partnership's interest in such Fund and (ii) any Partnership asset other than the interest in a Fund, the asset's adjusted basis for United States federal income tax purposes, except that the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values (as determined by the General Partner), in accordance with the rules set forth in Treasury Regulation section 1.704-1(b)(2)(iv)(f) (without regard to whether the

book basis of the Partnership's assets is adjusted for such difference for purposes of sections 704(b) and (c) of the Code), except as otherwise provided herein, immediately prior to: (a) the date of the acquisition of any interests in the Partnership by any new Partner or of any additional interests by any existing Partner in exchange for more than a de minimis capital contribution; (b) the date of the distribution of more than a de minimis amount of any Partnership asset to a Partner, including cash as consideration for an interest in the Partnership; (c) the date of the grant of more than a de minimis profits interest in the Partnership as consideration for the provision of services to or for the benefit of the Partnership by an existing Partner, or by a new Partner acting in his capacity as a Partner or in anticipation of becoming a Partner; or (d) the liquidation of the Partnership within the meaning of Treasury Regulation section 1.704-1(b)(2)(ii)(g); provided, that any adjustment pursuant to clauses (a), (b) and (c) above shall be made only if the General Partner reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately prior to such distribution to equal its fair market value (as determined by the General Partner). The Carrying Value of any asset contributed by a Partner to the Partnership shall be the fair market value (as determined by the General Partner) of the asset at the date of its contribution.

"Catch Up Amount" means the product derived by multiplying (a) the amount of any positive Book-Tax Difference present on the admission to the Partnership of a Newly-Admitted Limited Partner by (b) the percentage derived by dividing the number of Points issued to the Newly-Admitted Limited Partner, by the aggregate number of Points on the date the Newly-Admitted Limited Partner is admitted to the Partnership. The General Partner shall maintain an account in the name of each Newly-Admitted Limited Partner that reflects such Limited Partner's Catch Up Amount, which shall be subject to adjustment as contemplated by the last two sentences in the definition of Book-Tax Difference (and on dispositions of the assets with such Book-Tax Difference for less than their Carrying Value as of a prior determination date), and which may be further adjusted to the extent the General Partner determines is necessary to cause the Catch Up Amount to be equal to the amount necessary to provide such Limited Partner with a requisite share of Partnership capital based on such Limited Partner's Points in accordance with the terms of this Agreement and any side letter or similar agreement entered into by such Limited Partner pursuant to Section 9.1(b).

"Clawback Payment" means any payment required to be made by the Partnership to a Fund pursuant to section 10.3 of the Fund LP Agreement of such Fund.

"Clawback Share" means, as of the time of determination, with respect to any Limited Partner and any Clawback Payment, a portion of such Clawback Payment equal to (a) the cumulative amount distributed to such Limited Partner of Operating Profit attributable to a Fund, divided by (b) the cumulative amount so distributed to all Partners with respect to such Operating Profit attributable to such Fund.

"Co-Investors (A)" means Apollo HVF Co-Investors II (A), L.P., a Delaware limited partnership.

"Co-Investors (A) Partnership Agreement" means the amended and restated limited partnership agreement of Co-Investors (A), as amended from time to time.

“*Code*” means the United States Internal Revenue Code of 1986, as amended and as hereafter amended, or any successor law.

“*Covered Person*” has the meaning ascribed to that term in Section 5.7.

“*Designated Investment Distribution*” has the meaning ascribed to that term in Section 2.9(d).

“*Diluted Limited Partner*” means, with respect to each Newly-Admitted Limited Partner, the Partner or Partners from whom or from which the Points allocated to such Newly-Admitted Limited Partner(s) were reallocated.

“*Disability*” has the meaning ascribed to that term in the Apollo Global Management, Inc. 2019 Omnibus Equity Incentive Plan (or any successor thereto).

“*Discretionary Points*” has the meaning ascribed to that term in Section 2.9(a)(ii).

“*Escrow Account*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Final Adjudication*” has the meaning ascribed to that term in Section 5.7.

“*Final Distribution*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Fiscal Year*” means, with respect to a year, the period commencing on January 1 of such year and ending on December 31 of such year (or on the date of a final distribution pursuant to Section 8.1(a)), unless the General Partner shall elect another fiscal year for the Partnership which is a permissible taxable year under the Code.

“*Fund*” means each of HVF II, HVF II (892), HVF II Overseas, HVF II (Lux) and, to the extent the context so requires, each alternative investment vehicle created by those entities.

“*Fund General Partner*” means the Partnership in its capacity as a general partner or special limited partner of each Fund pursuant to the Fund LP Agreements.

“*Fund LP Agreement*” means the limited partnership agreement of a Fund, as amended from time to time, and, to the extent the context so requires, the corresponding constituent agreement, certificate or other document governing such Fund.

“*General Partner*” means Apollo Hybrid Value Capital Management II, LLC, a Delaware limited liability company, in its capacity as general partner of the Partnership, or any successor to the business of the General Partner in its capacity as general partner of the Partnership.

“*Holdback Amount*” has the meaning ascribed to such term in a Limited Partner’s Award Letter.

“*Home Address*” has the meaning ascribed to such term in Section 9.3.

“*HVF II*” means Apollo Hybrid Value Fund II, L.P., a Delaware limited partnership.

“*HVF II (892)*” means Apollo Hybrid Value Overseas Partners (Delaware 892) II, L.P., a Delaware limited partnership.

“*HVF II Overseas*” means Apollo Hybrid Value Overseas Partners II, L.P., a Cayman Islands exempted limited partnership.

“*HVF II (Lux)*” means Apollo Hybrid Value Overseas Partners (Lux) II, SCSp, a Luxembourg special limited partnership.

“*JAMS*” has the meaning ascribed to that term in Section 9.6(b).

“*Limited Partner*” means any Person admitted as a limited partner to the Partnership in accordance with this Agreement, including any Retired Partner, until such Person withdraws entirely as a limited partner of the Partnership, in his capacity as a limited partner of the Partnership. All references herein to a Limited Partner shall be construed as referring collectively to such Limited Partner and to each Related Party of such Limited Partner (and to each Person of which such Limited Partner is a Related Party) that also is or that previously was a Limited Partner, except to the extent that the General Partner determines that the context does not require such interpretation as between such Limited Partner and his Related Parties.

“*Management Company*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Net Income*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Net Loss*” has the meaning ascribed to that term in each of the Fund LP Agreements.

“*Newly-Admitted Limited Partner*” means any Limited Partner whose admission to the Partnership causes an adjustment to Carrying Values pursuant to the definitions of “Carrying Value” and “Book-Tax Difference” (together with other Partners or Retired Partners so treated pursuant to Section 7.3).

“*Notice of Dissolution*” has the meaning ascribed to that term in Section 8.1(c).

“*NYUCC*” has the meaning ascribed to that term in Section 6.5(c).

“*Operating Loss*” means, with respect to any Fiscal Year, any net loss of the Partnership, adjusted to exclude (a) any Capital Profit or Capital Loss, and (b) the effect of any reorganization, restructuring or other capital transaction proceeds derived by the Partnership. To the extent derived from a Fund, any items of income, gain, loss, deduction and credit shall be determined in accordance with the same accounting policies, principles and procedures applicable to the determination by the relevant Fund, and any items not derived from a Fund shall be determined in accordance with the accounting policies, principles and procedures used by the Partnership for United States federal income tax purposes.

“Operating Profit” means, with respect to any Fiscal Year, any net income of the Partnership, adjusted to exclude (a) any Capital Profit or Capital Loss, and (b) the effect of any reorganization, restructuring or other capital transaction proceeds derived by the Partnership. To the extent derived from a Fund, any items of income, gain, loss, deduction and credit shall be determined in accordance with the same accounting policies, principles and procedures applicable to the determination by the relevant Fund, and any items not derived from a Fund shall be determined in accordance with the accounting policies, principles and procedures used by the Partnership for United States federal income tax purposes.

“Original Agreement” has the meaning ascribed to that term in the Recitals.

“Partner” means the General Partner or any of the Limited Partners, and *“Partners”* means the General Partner and all of the Limited Partners.

“Partnership” means Apollo Hybrid Value Advisors II, L.P., the exempted limited partnership continued pursuant to this Agreement.

“Partnership Act” has the meaning ascribed to that term in the Recitals.

“Partnership Representative” means the General Partner acting in the capacity of the “partnership representative” (as such term is defined under the BBA Audit Rules) or such other Person as is appointed to be the “partnership representative” (including, without limitation, a “designated individual” within the meaning of Treasury Regulation section 301.6223-1(b)(3) or any successor provision) by the General Partner from time to time.

“Person” means any individual, partnership (whether or not having separate legal personality), corporation, limited liability company, joint venture, joint stock company, unincorporated organization or association, trust (including the trustees thereof, in their capacity as such), government, governmental agency, political subdivision of any government, or other entity.

“Plan Year” means such period as determined by the General Partner; provided, that the first Plan Year shall be deemed to begin on September 29, 2020 and the final Plan Year shall be deemed to end on the date on which a Dissolution Event (as defined in the Fund LP Agreement) occurs.

“Point” means a share of Operating Profit or Operating Loss, net of amounts distributed as Designated Investment Distributions. Points shall include both Account Points and Discretionary Points. The aggregate number of Points available for assignment to all Partners with respect to each Plan Year shall be set forth in the books and records of the Partnership.

“Portfolio Company” has the meaning ascribed to that term in each of the Fund LP Agreements.

“Portfolio Investment” has the meaning ascribed to that term in each of the Fund LP Agreements.

“Portfolio Investment Gain” has the meaning ascribed to that term in each of the Fund LP Agreements.

“Portfolio Investment Loss” has the meaning ascribed to that term in each of the Fund LP Agreements.

“Profits Interest” has the meaning ascribed to that term in Section 6.1(d)(i).

“Reference Rate” means the interest rate announced publicly from time to time by JPMorgan Chase Bank in New York, New York as such bank’s prime rate.

“Registrar” means the Registrar of Exempted Limited Partnerships of the Cayman Islands.

“Related Party” means, with respect to any Limited Partner:

- a. any spouse, child, parent or other lineal descendant of such Limited Partner or such Limited Partner’s parent, or any natural Person who occupies the same principal residence as the Limited Partner;
- b. any trust or estate in which the Limited Partner and any Related Party or Related Parties (other than such trust or estate) collectively have more than 80 percent of the beneficial interests (excluding contingent and charitable interests);
- c. any entity of which the Limited Partner and any Related Party or Related Parties (other than such entity) collectively are beneficial owners of more than 80 percent of the equity interest; and
- d. any Person with respect to whom such Limited Partner is a Related Party.

“Reserved Team Points” has the meaning ascribed to that term in a Limited Partner’s Award Letter.

“Restrictive Covenants” means the restrictive covenants in favor of AGM or any of its Affiliates contained or referenced in a Limited Partner’s Award Letter.

“Retired Partner” means any Limited Partner who has become a retired partner in accordance with or pursuant to Section 7.2.

“Schedule of Partners” means a schedule to be maintained by the General Partner showing the information required pursuant to Section 2.8 and the Partnership Act.

“Section 9 Statement” has the meaning ascribed to that term in the Recitals.

“Tax Obligation” has the meaning ascribed to that term in Section 4.2(a).

“Transfer” means any direct or indirect sale, exchange, transfer, assignment or other disposition by a Partner of any or all of his interest in the Partnership (whether respecting, for example, economic rights only or all the rights associated with the interest) to another Person, whether voluntary or involuntary.

“*Treasury Regulation*” means the United States income tax regulations promulgated under the Code, as amended.

“*True Up Amount*” means, with respect to each Newly-Admitted Limited Partner, the lesser of:

(a) such Newly-Admitted Limited Partner’s aggregate unpaid Catch Up Amounts in respect of all distributions previously made to the Diluted Limited Partner with respect to Book-Tax Differences; and

(b) the product of (i) the amount, if any, by which (A) the aggregate amount of Operating Profit allocated to the Diluted Limited Partner following the admission of the Newly-Admitted Limited Partner, exceeds (B) the aggregate amount of the Book-Tax Differences arising in connection with such Newly-Admitted Limited Partner’s admission (without taking into account any adjustments made subsequent to such admission); and (ii) such Newly-Admitted Limited Partner’s percent of the aggregate amounts described in clause (a) with respect to all Newly-Admitted Limited Partners with the same Diluted Limited Partner.

“*U.S.*” or “*United States*” means the United States of America.

“*Vested Points*” has the meaning ascribed to that term in a Limited Partner’s Award Letter.

“*Voting Affiliated Feeder Fund*” has the meaning ascribed to such term in each of the Fund LP Agreements.

ARTICLE 2 CONTINUATION AND ORGANIZATION

Section 2.1 Continuation

The Partnership is hereby continued pursuant to the Partnership Act and this Agreement. The General Partner shall execute, acknowledge and file any amendments to the Section 9 Statement as may be required by the Partnership Act and any other instruments, documents and certificates which, in the opinion of the Partnership’s legal counsel, may from time to time be required by the laws of the Cayman Islands or any other jurisdiction in which the Partnership shall determine to do business, or any political subdivision or agency thereof, or which such legal counsel may deem necessary or appropriate to effectuate, implement and continue the valid and subsisting existence and business of the Partnership.

Section 2.2 Name

The name of the Partnership shall be “Apollo Hybrid Value Advisors II, L.P.” or such other name as the General Partner hereafter may adopt upon causing an appropriate amendment to be made to this Agreement and to the Section 9 Statement to be filed in accordance with the Partnership Act. Promptly thereafter, the General Partner shall send notice thereof to each Limited Partner.

Section 2.3 Office

The registered office and registered agent for service of process on the Partnership shall be at the offices of Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands, or at such other place or places in the Cayman Islands as the General Partner may from time to time decide.

Section 2.4 Term of Partnership

(a) The term of the Partnership shall continue until the first to occur of the following, which occurrence will cause the commencement of the winding up of the Partnership:

(i) the completion of the winding up, termination and dissolution (without continuation) of the Funds;

(ii) at any time there are no Limited Partners, unless the business of the Partnership is continued in accordance with the Partnership Act;

(iii) any event that results in the General Partner ceasing to be a general partner of the Partnership under the Partnership Act, provided, that the Partnership shall not be dissolved and required to be wound up in connection with any such event if (A) at the time of the occurrence of such event there is at least one remaining general partner of the Partnership who is hereby authorized to and does carry on the business of the Partnership, or (B) within 90 days after the occurrence of such event, a majority of the Limited Partners agree in writing or vote to continue the business of the Partnership and to the appointment, effective as of the date of such event, if required, of one or more additional general partners of the Partnership; and

(iv) the Grand Court of the Cayman Islands granting an order for the winding up of the Partnership pursuant to Section 36(3) of the Partnership Act.

(b) The parties agree that irreparable damage would be done to the goodwill and reputation of the Partners if any Limited Partner should bring an action to wind-up the Partnership. Care has been taken in this Agreement to provide for fair and just payment in liquidation of the interests of all Partners. Accordingly, to the fullest extent permitted by law, each Limited Partner hereby waives and renounces his right to such an order or to seek the appointment of a liquidator for the Partnership, except as provided herein.

Section 2.5 Purpose of the Partnership

The principal purpose of the Partnership is to act as the sole general partner or special limited partner (as the case may be) of each Fund and certain Voting Affiliated Feeder Funds pursuant to their respective Fund LP Agreements or other governing documents and to undertake such related and incidental activities and execute and deliver such related documents necessary or incidental thereto. The purpose of the Partnership shall be limited to serving as a general partner or special limited partner of direct investment funds, including any of their Affiliates, and the provision of investment management and advisory services.

Section 2.6 Actions by Partnership

The Partnership may execute, deliver and perform, and the General Partner may execute and deliver on behalf of the Partnership, all contracts, agreements and other undertakings, and engage in all activities and transactions as may in the opinion of the General Partner be necessary or advisable to carry out the objects and purposes of the Partnership, without the approval or vote of any Limited Partner.

Section 2.7 Admission of Limited Partners

On the date hereof, the Persons whose names are set forth in the Schedule of Partners under the caption “Limited Partners” shall be admitted to the Partnership or shall continue, as the case may be, as limited partners of the Partnership upon their execution of a counterpart of this Agreement or such other instrument evidencing, to the satisfaction of the General Partner, such Limited Partner’s intent to become a Limited Partner. Additional Limited Partners may be admitted to the Partnership in accordance with Section 6.1. Admission as a Limited Partner (including a Limited Partner admitted after the date hereof) will not change a Person’s employment status with any Affiliate of the Partnership or make any such Person an employee of the Partnership.

Section 2.8 Schedule of Partners

The General Partner shall cause to be maintained at the principal office of the Partnership or such other place as the Partnership Act may permit, the Schedule of Partners, being a register of limited partnership interests and a record of contribution of the Limited Partners which shall include such information as may be required by the Partnership Act. The General Partner shall from time to time, update the Schedule of Partners as required by the Partnership Act to accurately reflect the information therein and no action of any Limited Partner shall be required to amend or update the Schedule of Partners. The Schedule of Partners shall not form part of this Agreement. The Schedule of Partners of the Partnership shall be the definitive record of ownership of each limited partnership interest and all relevant information with respect to each Partner. The Limited Partners shall only have the right to inspect the Schedule of Partners upon the prior consent of the General Partner.

Section 2.9 Point Types; Plan Years

(a) A Limited Partner’s right to participate in the Operating Profits and Operating Losses shall be represented by two types of Points to be allocated to Limited Partners: Account Points and Discretionary Points.

(i) “*Account Points*” entitle a Limited Partner to share in the Operating Profits and Operating Losses related to all Portfolio Investments held by the Fund on the date such Account Points are awarded or consummated thereafter, irrespective of the Plan Year in which the underlying Portfolio Investments were made and subject to the provisions of this Agreement and the terms of the Limited Partner’s Award Letter.

(ii) “*Discretionary Points*” shall be awarded on a Plan Year-by-Plan Year basis and entitle a Limited Partner to share in the Operating Profits and Operating Losses of all

Portfolio Investments consummated during the applicable Plan Year, subject to the provisions of this Agreement and the terms of the Limited Partner's Award Letter. Discretionary Points shall be allocated at the direction of the Administrative Committee, subject to the approval of the General Partner, at the end of each Plan Year.

(b) A Limited Partner's Points with respect to any Portfolio Investment shall equal the sum of (i) the total number of such Limited Partner's Account Points, if the Portfolio Investment is held by the Fund at the time the Account Points were awarded or is consummated thereafter and (ii) the total number such Limited Partner's Discretionary Points with respect to the Plan Year in which such Portfolio Investment was consummated. If the General Partner determines in its sole discretion that a Portfolio Investment is an additional or follow-on investment that relates to a pre-existing Portfolio Investment, the General Partner may, in its sole discretion, elect to treat such additional or follow-on investment as part of the initial Portfolio Investment to which it relates (in which case, participation in the Operating Profits and Operating Losses with respect thereto shall be determined in accordance with the Points of the Limited Partners with respect to such initial Portfolio Investment) or may elect to treat such additional or follow-on investment as a separate Portfolio Investment (in which case, participation in the Operating Profits and Operating Losses with respect thereto shall be determined in accordance with the Points of the Limited Partners with respect to the Plan Year in which such additional or follow-on investment is made). The General Partner's determinations with respect to additional and follow-on investments shall be final and binding on the Partnership and all of its Partners. Except as otherwise determined by the General Partner, Reserved Team Points shall be allocated to APH at any time that they are not allocated to a Team Member. For the avoidance of doubt, the General Partner shall determine the Plan Year to which any Portfolio Investment shall be assigned for the purposes of all Points allocations, whether made pursuant to this Agreement, any Award Letter or otherwise.

(c) Notwithstanding the other provisions of this Agreement, the General Partner shall establish a special notional or bookkeeping account for each Limited Partner to provide for the equitable disposition or adjustment of the allocation of Operating Profit and Operating Losses such that the Partners ultimately receive distributions and bear any Clawback Payments in a manner that the General Partner in good faith determines to equitably reflect their respective Account Points and Discretionary Points relating to the relevant Portfolio Investments giving rise to such Operating Profit or Operating Loss notwithstanding any aggregating effects of the distribution provisions of Fund LP Agreements. The General Partner's determinations with respect to such allocations shall be final and binding on the Partnership and all of its Partners.

(d) The General Partner may enter into an agreement pursuant to which any Person other than AGM or a subsidiary of AGM would be entitled to receive one or more distributions of or attributable to Operating Profit in an amount calculated by reference to the investment performance of one or more, but not all, specified Portfolio Investments (each such distribution, a "Designated Investment Distribution").

(e) To provide for equitable treatment of Point holders and recipients of Designated Investment Distributions, the General Partner shall be entitled to make such equitable adjustments to distributions made in respect of Points and Designated Investment Distributions as it determines to be appropriate, including, without limitation, (i) reducing the amount of Operating Profit that would otherwise be distributable with respect to certain Points pursuant to

Section 4.1(b) by the amount of any distribution in respect of other Points or Designated Investment Distributions determined by the General Partner to be sourced or distributable from such Operating Profit, (ii) creating reserves out of Operating Profits for purposes of funding equitable distributions in respect of Points or Designated Investment Distributions that are anticipated but not yet crystallized, and (ii) requiring any Limited Partner to return all or a portion of any distribution previously made in respect of certain Points to fund the payment of any such distribution in respect to other Points or Designated Investment Distributions.

ARTICLE 3 CAPITAL

Section 3.1 Contributions to Capital

(a) Subject to the remaining provisions of this Section 3.1, (i) any required contribution of a Limited Partner to the capital of the Partnership shall be as set forth in the Schedule of Partners, and (ii) any such contributions to the capital of the Partnership shall be made as of the date of admission of such Limited Partner as a limited partner of the Partnership and as of each such other date as may be specified by the General Partner. Except as otherwise permitted by the General Partner, all contributions to the capital of the Partnership by each Limited Partner shall be payable exclusively in cash.

(b) The Partnership has made a capital commitment to each Fund. APH will make capital contributions from time to time to the extent necessary to ensure that the Partnership meets its obligations to make contributions of capital to each Fund.

(c) No Partner shall be obligated, nor shall any Partner have any right, to make any contribution to the capital of the Partnership other than as specified in Section 2.9 and this Section 3.1 or, in the case of a Diluted Limited Partner, as required by Section 4.1(e)(iii). No Limited Partner shall be obligated to restore any deficit balance in his Capital Account.

(d) Subject to the application of the equitable adjustments described in Section 2.9(e), to the extent, if any, that at the time of the Final Distribution, it is determined that the Partnership, as a general partner or special limited partner of each Fund, is required to make any Clawback Payment with respect to a Fund, each Limited Partner shall be required to participate in such payment and contribute to the Partnership for ultimate distribution to the limited partners of the relevant Fund an amount equal to such Limited Partner's Clawback Share of any Clawback Payment, but not in any event in excess of the cumulative amount theretofore distributed to such Limited Partner with respect to the Operating Profit attributable to such Fund. For purposes of determining each Limited Partner's required contribution, each Limited Partner's allocable share of any Escrow Account, to the extent applied to satisfy a portion of a Clawback Payment, shall be treated as if it had been distributed to such Limited Partner and re-contributed by such Limited Partner pursuant to this Section 3.1(d) at the time of such application.

Section 3.2 Rights of Partners in Capital

(a) No Partner shall be entitled to interest on his capital contributions to the Partnership.

(b) No Partner shall have the right to distributions or the return of any contribution to the capital from the Partnership except (i) for distributions in accordance with Section 4.1, or (ii) upon dissolution of the Partnership. The entitlement to any such return at such time shall be limited to the value of the Capital Account of the Partner. The General Partner shall not be liable for the return of any such amounts.

Section 3.3 Capital Accounts

(a) The Partnership shall maintain for each Partner a separate Capital Account.

(b) Each Partner's Capital Account shall have an initial balance equal to the amount of cash and the net value of any securities or other property constituting such Partner's initial contribution to the capital of the Partnership.

(c) Each Partner's Capital Account shall be increased by the sum of:

(i) the amount of cash and the net value of any securities or other property constituting additional contributions by such Partner to the capital of the Partnership permitted pursuant to Section 3.1, plus

(ii) in the case of APH, any Capital Profit allocated to its Capital Account pursuant to Section 3.4, plus

(iii) the portion of any Operating Profit allocated to such Partner's Capital Account pursuant to Section 3.4, plus

(iv) such Partner's allocable share of any decreases in any reserves recorded by the Partnership pursuant to Section 3.6 and any receipts determined to be applicable to a prior period pursuant to Section 3.6(b), to the extent the General Partner determines that, pursuant to any provision of this Agreement, such item is to be credited to such Partner's Capital Account on a basis which is not in accordance with the current respective Points of all Partners.

(d) Each Partner's Capital Account shall be reduced by the sum of (without duplication):

(i) in the case of APH, any Capital Loss allocated to its Capital Account pursuant to Section 3.4, plus

(ii) the portion of any Operating Loss allocated to such Partner's Capital Account pursuant to Section 3.4, plus

(iii) the amount of any cash and the net value of any property distributed to such Partner pursuant to Section 4.1 or Section 8.1 including any amount deducted pursuant to Section 4.2 from any such amount distributed, plus

(iv) any withholding taxes or other items payable by the Partnership and allocated to such Partner pursuant to Section 4.2, any increases in any reserves recorded

by the Partnership pursuant to Section 3.6 and any payments determined to be applicable to a prior period pursuant to Section 3.6(b), to the extent the General Partner determines that, pursuant to any provision of this Agreement, such item is to be charged to such Partner's Capital Account on a basis which is not in accordance with the current respective Points of all Partners.

(e) If securities and/or other property are to be distributed in kind to the Partners or Retired Partners, including in connection with a liquidation pursuant to Section 8.1, they shall first be written up or down to their fair market value as of the date of such distribution, thus creating gain or loss for the Partnership, and the value of the securities and/or other property received by each Partner and each Retired Partner as so determined shall be debited against such Person's Capital Account at the time of distribution.

Section 3.4 Allocation of Profit and Loss

(a) Capital Profit and Operating Profit or Capital Loss and Operating Loss for any Fiscal Year shall be allocated to the Partners so as to produce Capital Accounts (computed after taking into account any other Capital Profit and Operating Profit or Capital Loss and Operating Loss for the Fiscal Year in which such event occurred and all distributions pursuant to Article 4 with respect to such Fiscal Year and after adding back each Partner's share, if any, of Partner Nonrecourse Debt Minimum Gain, as defined in Treasury Regulation sections 1.704 - 2(b)(2) and 1.704 - 2(i), or Partnership Minimum Gain, as defined in Treasury Regulation sections 1.704 - 2(b)(2) and 1.704 - 2(d)) for the Partners such that a distribution of an amount of cash equal to such Capital Account balances in accordance with such Capital Account balances would be in the amounts, sequence and priority set forth in Article 4; provided, that the General Partner may allocate Operating Profit and Operating Loss and items thereof in such other manner as it determines to be appropriate to reflect the Partners' interests in the Partnership, having due regard, among other things, to Points being denominated as Account Points and Discretionary Points.

(b) To the extent that the allocations of Capital Loss or Operating Loss contemplated by Section 3.4(a) would cause the Capital Account of any Limited Partner to be less than zero, such Capital Loss or Operating Loss shall to that extent instead be allocated to and debited against the Capital Account of the General Partner. Following any such adjustment pursuant to this Section 3.4(b) with respect to any Limited Partner, any Capital Profit or Operating Profit for any subsequent Fiscal Year which would otherwise be credited to the Capital Account of such Limited Partner pursuant to Section 3.4(a) shall instead be credited to the Capital Account of the General Partner until the cumulative amounts so credited to the Capital Account of the General Partner with respect to such Limited Partner pursuant to this Section 3.4(b) is equal to the cumulative amount debited against the Capital Account of the General Partner with respect to such Limited Partner pursuant to this Section 3.4(b).

(c) Each Limited Partner's rights and entitlements as a Limited Partner are limited to the rights to receive allocations and distributions of Capital Profit and Operating Profit expressly conferred by this Agreement, the Limited Partner's Award Letter and any side letter or similar agreement entered into pursuant to Section 9.1(b) and the other rights expressly conferred by this Agreement, the Limited Partner's Award Letter and any such side letter or similar agreement or required by the Partnership Act, and a Limited Partner shall not be entitled to any other

allocations, distributions or payments in respect of his interest, or to have or exercise any other rights, privileges or powers.

Section 3.5 Tax Allocations

(a) For United States federal, state and local income tax purposes, Partnership income, gain, loss, deduction or credit (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in order to reflect the allocations of Capital Profit, Capital Loss, Operating Profit and Operating Loss pursuant to the provisions of Section 3.4 for such Fiscal Year, provided, that any taxable income or loss associated with any Book-Tax Difference shall be allocated for tax purposes in accordance with the principles of section 704(c) of the Code in any such manner (as is permitted under that Code section and the Treasury Regulation promulgated thereunder) as determined by the General Partner.

(b) If any Partner or Partners are treated for United States federal income tax purposes as realizing ordinary income because of receiving interests in the Partnership (whether under section 83 of the Code or under any similar provision of any law, rule or regulation), the issuance of such interests may, in the General Partner's discretion, be treated as a payment of the relevant cash amount by the Partnership to the issued Partner and, subsequently, a contribution of such cash amount by such Partner to the Partnership. Upon such issuance, all Partnership assets may, in the General Partner's discretion, be adjusted to equal their respective fair market values (as determined by the General Partner) in connection with such issuance and, immediately following such issuance, no Book-Tax Difference shall be reflected with respect to the issued Partner for such interests. Any deduction arising from the issuance of such interests shall be allocated to and among the Partners whose distributions are reduced as a result of such issuance.

Section 3.6 Reserves; Adjustments for Certain Future Events

(a) Appropriate reserves may be created, accrued and charged against the Operating Profit or Operating Loss for contingent liabilities, if any, as of the date any such contingent liability becomes known to the General Partner or as of each other date as the General Partner deems appropriate, such reserves to be in the amounts which the General Partner deems necessary or appropriate (whether or not in accordance with generally accepted accounting principles). The General Partner may increase or reduce any such reserve from time to time by such amounts as the General Partner deems necessary or appropriate. The amount of any such reserve, or any increase or decrease therein, shall be proportionately charged or credited, as appropriate, to the Capital Accounts of those parties who are Partners at the time when such reserve is created, increased or decreased, as the case may be, in proportion to their respective Points at such time; provided, that the General Partner may (but is under no obligation to) charge or credit the amount of such reserve, increase or decrease to those parties who were Partners at the time, as determined by the General Partner, of the act or omission giving rise to the contingent liability for which the reserve item was established in proportion to their respective Points at that time. The amount of any such reserve charged against the Capital Account of a Partner shall reduce the distributions such Partner would otherwise be entitled to under Section 4.1 or Section 8.1 hereof; and the amount of any such reserve credited to the Capital Account of a Partner shall increase the distributions such Partner would otherwise be entitled to under Section 4.1 or Section 8.1 hereof.

(b) If any amount paid by the Partnership was not previously accrued or reserved for but would nevertheless, in accordance with the Partnership's accounting practices, be treated as applicable to one or more prior periods, then the General Partner may (but is under no obligation to) charge such amount to those parties who were Partners during such prior period or periods, based on each such Partner's Points for such applicable period.

(c) Any amount required to be charged pursuant to Section 3.6(a) or (b) shall be debited against the current balance in the Capital Account of the affected Partners. To the extent that the aggregate current Capital Account balances of such affected Partners are insufficient to cover the full amount of the required charge, the deficiency shall be debited against the Capital Accounts of the other Partners in proportion to their respective Capital Account balances at such time; provided, that each such other Partner shall be entitled to a preferential allocation, in proportion to and to the extent of such other Partner's share of any such deficiency, together with a carrying charge at a rate equal to the Reference Rate, of any Operating Profit that would otherwise have been allocable after the date of such charge to the Capital Accounts of the affected Partners whose Capital Accounts were insufficient to cover the full amount of the required charge. In no event shall a current or former Partner be obligated to satisfy any amount required to be charged pursuant to Section 3.6(a) or (b) other than by means of a debit against such Partner's Capital Account.

Section 3.7 Finality and Binding Effect of General Partner's Determinations

All matters concerning the determination, valuation and allocation among the Partners with respect to any profit or loss of the Partnership and any associated items of income, gain, deduction, loss and credit, pursuant to any provision of this Article 3, including any accounting procedures applicable thereto, shall be determined by the General Partner unless specifically and expressly otherwise provided for by the provisions of this Agreement, and such determinations and allocations shall be final and binding on all the Partners.

Section 3.8 AEOI

(a) Each Limited Partner:

(i) shall provide, in a timely manner, such information regarding the Limited Partner and its beneficial owners and/or controlling persons and such forms or documentation as may be requested from time to time by the General Partner or the Partnership to enable the Partnership to comply with the requirements and obligations imposed on it pursuant to AEOI and shall update such information as necessary;

(ii) acknowledges that any such forms or documentation provided to the Partnership or its agents pursuant to clause (i), or any financial or account information with respect to the Limited Partner's investment in the Partnership, may be disclosed to any governmental authority which collects information in accordance with AEOI and to any withholding agent where the provision of that information is required by such agent to avoid the application of any withholding tax on any payments to the Partnership;

(iii) shall waive, and/or shall cooperate with the Partnership to obtain a waiver of, the provisions of any law which prohibits the disclosure by the Partnership, or by any of its agents, of the information or documentation requested from the Limited Partner pursuant to clause (i), prohibits the reporting of financial or account information by the

Partnership or its agents required pursuant to AEOL or otherwise prevents compliance by the Partnership with its obligations under AEOL;

(iv) acknowledges that, if it provides information and documentation that is in any way misleading, or it fails to provide and/or update the Partnership or its agents with the requested information and documentation necessary, in either case, to satisfy the Partnership's obligations under AEOL, the Partnership may (whether or not such action or inaction leads to compliance failures by the Partnership, or a risk of the Partnership or its investors being subject to withholding tax or other penalties under AEOL) take any action and/or pursue all remedies at its disposal, including compulsory withdrawal of the Limited Partner, and may hold back from any withdrawal proceeds, or deduct from the Limited Partner's Capital Account, any liabilities, costs, expenses or taxes caused (directly or indirectly) by the Limited Partner's action or inaction; and

(v) shall have no claim against the Partnership, or its agents, for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Partnership in order to comply with AEOL.

(b) Each Limited Partner hereby indemnifies the General Partner and the Partnership and each of their respective partners, members, managers, officers, directors, employees and agents and holds them harmless from and against any AEOL-related liability, action, proceeding, claim, demand, costs, damages, expenses (including legal expenses), penalties or taxes whatsoever which such Person may incur as a result of any action or inaction (directly or indirectly) of such Limited Partner (or any Related Party) described in Section 3.8(a)(i) through (iv). This indemnification shall survive the Limited Partner's death or disposition of its interests in the Partnership.

Section 3.9 Alternative GP Vehicles

If the General Partner determines that for legal, tax, regulatory or other reasons (a) any investment or other activities of a Fund should be conducted through one or more alternative investment vehicles as contemplated by the relevant Fund LP Agreement, (b) any of such separate entities comprising such Fund should be managed or controlled by one or more separate entities serving as a general partner or in a similar capacity (each, an "Alternative GP Vehicle"), and (c) some or all of the Partners should participate through any such Alternative GP Vehicle, the General Partner may require any or all of the Partners, as determined by the General Partner, to participate directly or indirectly through any such Alternative GP Vehicle and to undertake such related and incidental activities and execute and deliver such related documents necessary or incidental thereto with and/or in lieu of the Partnership, and the General Partner shall have all necessary authority to implement such Alternative GP Vehicle; provided, that to the maximum extent practicable and subject to applicable legal, tax, regulatory or similar technical reasons, each Partner shall have the same economic interest in all material respects in an Alternative GP Vehicle formed pursuant to this Section 3.9 as such Partner would have had if it had participated in all Portfolio Investments through the Partnership, and the terms of such Alternative GP Vehicle shall be substantially the same in all material respects to those of the Partnership and this Agreement. Each Partner shall take such actions and execute such documents as the General Partner determines are reasonably needed to accomplish the foregoing.

ARTICLE 4 DISTRIBUTIONS

Section 4.1 Distributions

(a) Any amount of cash or property received as a distribution from a Fund by the Partnership in its capacity as a partner of such Fund, to the extent such amount is determined by reference to the capital commitment of the Partnership in, or the capital contributions of the Partnership to, such Fund, shall be promptly distributed by the Partnership to APH.

(b) The General Partner shall use reasonable efforts to cause the Partnership to distribute, as promptly as practicable after receipt by the Partnership, any available cash or property attributable to items included in the determination of Operating Profit, subject to the provisions of section 10.3 of the Fund LP Agreements and subject to the retention of such reserves as the General Partner considers appropriate for purposes of the prudent and efficient financial operation of the Partnership's business including in accordance with Section 3.6. Any such distributions (before adjustment for Holdback Amounts) shall be made to Partners in proportion to their respective Points, determined:

(i) in the case of any amount of cash or property received from a Fund that is attributable to the disposition of a Portfolio Investment by such Fund, as of the date of such disposition; and

(ii) in any other case, as of the date of receipt of such cash or property by the Partnership;

provided, that any cash or other property that the General Partner determines is attributable to a Book-Tax Difference shall be distributed to the Limited Partners that are entitled to a share of such Book-Tax Difference pursuant to the definition of "Book-Tax Difference," with any such distribution to be in the proportion that each such Limited Partner's allocated share of the applicable Book-Tax Difference bears to the total Book-Tax Difference of the asset giving rise to the cash or property. Notwithstanding the foregoing, the General Partner shall retain from the distribution amount apportioned to each Limited Partner any Holdback Amount with respect to such Limited Partner, to the extent required and as determined in accordance with such Limited Partner's Award Letter.

(c) Distributions of amounts attributable to Operating Profit shall be made in cash; provided, that if the Partnership receives a distribution from a Fund in the form of property other than cash, the General Partner may distribute such property in kind to Partners in proportion to their respective Points.

(d) Any distributions or payments in respect of the interests of Limited Partners unrelated to Capital Profit or Operating Profit shall be made at such time, in such manner and to such Limited Partners as the General Partner shall determine.

(e) Except as the General Partner otherwise may determine, any Newly-Admitted Limited Partner shall have the right, after the distribution of any amounts attributable to Book-Tax Differences present at the time of such Newly-Admitted Limited Partner's admission pursuant to the proviso of Section 4.1(b) to the other Limited Partners, to receive a special distribution of the Catch Up Amount (before adjustment for Holdback Amounts).

(i) Any such special distribution of the Catch Up Amount shall be in addition to the distributions to which the Newly-Admitted Limited Partner is entitled pursuant to Section 4.1(b) and shall be made to the Newly-Admitted Limited Partner (or, if there is more than one such Newly-Admitted Limited Partner, pro rata to all such Newly-Admitted Limited Partners based on the aggregate amount of such distributions each such Newly-Admitted Limited Partner has not yet received) from amounts otherwise distributable to the Diluted Limited Partner (including from distributions of Book-Tax Difference arising after such Newly-Admitted Limited Partner's admission), and shall reduce the amounts distributable to the Diluted Limited Partner pursuant to Section 4.1(b), until each applicable Newly-Admitted Limited Partner has received an amount equal to the applicable Catch Up Amount (before adjustment for Holdback Amounts).

(ii) Any reallocation of Points to a Limited Partner who is not a Newly-Admitted Limited Partner pursuant to Article 7 shall include the right to receive any Catch Up Amount associated with such Points and shall succeed to any Book-Tax Difference accounts associated with such Points, except to the extent that the General Partner determines that the inclusion of such right would be inconsistent with the treatment of the reallocation of Points to such Limited Partner as a "profits interest" for income tax purposes.

(iii) True Ups of Catch Up Amount. To the extent that a Newly-Admitted Limited Partner has a positive True Up Amount at the time specified in the final sentence of this Section 4.1(e)(iii), the General Partner will arrange for such Newly-Admitted Limited Partner to receive a distribution equal to such True Up Amount, to be sourced from (A) any amounts that would then or thereafter be distributable to the Diluted Limited Partner, (B) a mandatory capital contribution by the Diluted Limited Partner payable on demand by the General Partner, or (C) any combination of the foregoing. The General Partner shall be permitted to withhold or adjust the implementation of this Section 4.1(e)(iii) to the extent it determines that such action is necessary or appropriate to (x) carry out the objectives specified in Section 6.1(d), (y) prevent or mitigate the risk that the Newly-Admitted Limited Partner would be treated as receiving ordinary income for tax purposes (e.g., a guaranteed payment under section 707(c) of the Code or as other services-related ordinary compensation), or (z) otherwise fairly and equitably achieve the intent of the affected parties. The determinations pursuant to this Section 4.1(e)(iii) will be made no later than the time of the final distribution by the Funds and reasonably promptly following such earlier date as the General Partner determines that the Partnership has no prospect of receiving any further distributions from the Funds comprising Operating Profit, and any required distribution of True Up Amounts will be made reasonably promptly following such determination.

Section 4.2 Withholding of Certain Amounts

(a) If the Partnership incurs a withholding or other tax obligation (a “Tax Obligation”) with respect to the share of Partnership income allocable to any Partner (including pursuant to section 6225 of the BBA Audit Rules), then the General Partner, without limitation of any other rights of the Partnership, may cause the amount of such Tax Obligation to be debited against the Capital Account of such Partner when the Partnership pays such Tax Obligation, and any amounts then or thereafter distributable to such Partner shall be reduced by the amount of such taxes. If the amount of such taxes is greater than any such then distributable amounts, then such Partner and any successor to such Partner’s interest shall indemnify and hold harmless the Partnership and the General Partner against, and shall pay to the Partnership as a contribution to the capital of the Partnership, upon demand of the General Partner, the amount of such excess.

(b) If a Tax Obligation is required to be paid by the Partnership (including with respect to a tax liability imposed under section 6225 of the BBA Audit Rules) and the General Partner determines that such amount is allocable to the interest in the Partnership of a Person that is at such time a Partner, such Tax Obligation shall be treated as being made on behalf of or with respect to such Partner for purposes of this Section 4.2(b) whether or not the tax in question applies to a taxable period of the Partnership during which such Partner held an interest in the Partnership. To the extent that any liability with respect to a Tax Obligation (including a liability imposed under section 6225 of the BBA Audit Rules) relates to a former Partner that has transferred all or a part of its interest in the Partnership, such former Partner (which in the case of a partial Transfer shall include a continuing Partner with respect to the portion of its interests in the Partnership so transferred) shall indemnify the Partnership for its allocable portion of such liability, unless otherwise agreed to by the General Partner in writing. Each Partner acknowledges that, notwithstanding the Transfer of all or any portion of its interest in the Partnership, it may remain liable to the Partnership, pursuant to this Section 4.2(b), for tax liabilities with respect to its allocable share of income and gain of the Partnership for the Partnership’s taxable years (or portions thereof) prior to such Transfer, as applicable (including any such liabilities imposed under section 6225 of the BBA Audit Rules).

(c) The General Partner may withhold from any distribution to any Limited Partner pursuant to this Agreement any other amounts due from such Limited Partner or a Related Party (without duplication) to the Partnership or to any other Affiliate of AGM pursuant to any binding agreement or published policy to the extent not otherwise paid. Any amounts so withheld shall be deemed distributed to such Limited Partner and shall be applied by the General Partner to discharge the obligation in respect of which such amounts were withheld.

Section 4.3 Limitation on Distributions

Notwithstanding any provision to the contrary contained in this Agreement, the Partnership, and the General Partner on behalf of the Partnership, shall not make a distribution to any Partner on account of his interest in the Partnership if such distribution would violate the Partnership Act or other applicable law.

Section 4.4 Distributions in Excess of Basis

Notwithstanding anything in this Agreement to the contrary, the General Partner may refrain from making, at any time prior to the dissolution of the Partnership, all or any portion of any cash distribution that otherwise would be made to a Partner or Retired Partner, if such distribution would exceed such Person's United States federal income tax basis in the Partnership. Any amount that is not distributed to a Partner or Retired Partner due to the preceding sentence, as determined by the General Partner, either shall be retained by the Partnership on such Person's behalf or loaned to such Person. Subject to the first sentence of this Section 4.4, 100% of any or all subsequent cash distributions shall be distributed to such Person (or, if there is more than one such Person, pro rata to all such Persons based on the aggregate amount of distributions each such Person has not yet received) until each such Person has received the same aggregate amount of distributions such Person would have received had distributions to such Person not been deferred pursuant to this Section 4.4. If any amount is loaned to a Partner or Retired Partner pursuant to this Section 4.4, (a) any amount thereafter distributable to such Person shall be applied to repay the principal amount of such loan, and (b) interest, if any, accrued or received by the Partnership on such loan shall be allocated and distributed to such Person. Any such loan shall be repaid no later than immediately prior to the satisfaction of all Partnership liabilities at the time of the liquidation of the Partnership. Until such repayment, for purposes of any determination hereunder based on amounts distributed to a Person, the principal amount of such loan shall be treated as having been distributed to such Person.

ARTICLE 5 MANAGEMENT

Section 5.1 Rights and Powers of the General Partner

(a) Subject to the terms and conditions of this Agreement, the General Partner shall have complete and exclusive responsibility (i) for all management decisions to be made on behalf of the Partnership, and (ii) for the conduct of the business and affairs of the Partnership, including all such decisions and all such business and affairs to be made or conducted by the Partnership in its capacity as Fund General Partner and as general partner of certain Voting Affiliated Feeder Funds.

(b) Without limiting the generality of the foregoing, the Partnership shall have full power and authority, and the General Partner shall have full power and authority, on its own behalf or on behalf of the Partnership, to execute, deliver or perform any contract, agreement or other undertaking that it may deem necessary or advisable for or incidental to the conduct of the business of the Partnership as contemplated by this Section 5.1, and to engage in or cause the Partnership to engage in all activities and transactions that it may deem necessary or advisable for or incidental to the conduct of such business, including, without in any manner limiting the generality of the foregoing, delivering, executing or performing any contract, agreement, undertaking or transaction with any Partner or with any other Person having any business, financial or other relationship with any Partner or Partners. The Partnership, and the General Partner on behalf of the Partnership, may enter into and perform the Fund LP Agreements, any governing documents of the Voting Affiliated Feeder Funds and any documents contemplated thereby or related thereto and any amendments thereto, without any further act, vote or approval

of any Person, including any Partner, notwithstanding any other provision of this Agreement. The General Partner is hereby authorized to enter into the documents described in the preceding sentence on behalf of the Partnership, but such authorization shall not be deemed a restriction on the power of the General Partner to enter into other documents on behalf of the Partnership.

(c) The Partnership Representative shall be permitted to take any and all actions under the BBA Audit Rules (including making or revoking the election referred to in section 6226 of the BBA Audit Rules and all other applicable tax elections) and to act as the Partnership Representative thereunder, and shall have any powers necessary to perform fully in such capacity, in consultation with the General Partner if the General Partner is not the Partnership Representative. The General Partner shall (or shall cause another Partnership Representative to) promptly inform the Limited Partners of any tax deficiencies assessed or proposed to be assessed (of which a Partnership Representative or the General Partner is actually aware) by any taxing authority against the Partnership or the Limited Partners. Notwithstanding anything to the contrary contained herein, the acts of the General Partner (and with respect to applicable tax matters, any other Partnership Representative) in carrying on the business of the Partnership as authorized herein shall bind the Partnership. Each Partner shall upon request supply the information necessary to properly give effect to any elections described in this Section 5.1(c) or to otherwise enable a Partnership Representative to implement the provisions of this Section 5.1(c) (including filing tax returns, defending tax audits or other similar proceedings and conducting tax planning). The Limited Partners agree to reasonably cooperate with the Partnership or General Partner, and undertake any action reasonably requested by the Partnership or the General Partner, in connection with any elections made by the Partnership Representative or as determined to be reasonably necessary by the Partnership Representative under the BBA Audit Rules.

(d) Each Partner agrees not to treat, on his United States federal income tax return or in any claim for a refund, any item of income, gain, loss, deduction or credit in a manner inconsistent with the treatment of such item by the Partnership. The General Partner shall have the exclusive authority to make any elections required or permitted to be made by the Partnership under any provisions of the Code or any other revenue law.

Section 5.2 Delegation of Duties

(a) Subject to Section 5.1, the General Partner may delegate to any Person or Persons any of the duties, powers and authority vested in it hereunder on such terms and conditions as it may consider appropriate.

(b) Without limiting the generality of Section 5.2(a), the General Partner shall have the power and authority to appoint any Person, including any Person who is a Limited Partner, to provide services to and act as an employee or agent of the Partnership and/or General Partner, with such titles and duties as may be specified by the General Partner. Any Person appointed by the General Partner to serve as an employee or agent of the Partnership shall be subject to removal at any time by the General Partner, and shall report to and consult with the General Partner at such times and in such manner as the General Partner may direct.

(c) Any Person who is a Limited Partner and to whom the General Partner delegates any of its duties pursuant to this Section 5.2 or any other provision of this Agreement shall be subject to the same standard of care, and shall be entitled to the same rights of indemnification

and exoneration, applicable to the General Partner under and pursuant to Section 5.7, unless such Person and the General Partner mutually agree to a different standard of care or right to indemnification and exoneration to which such Person shall be subject.

(d) The General Partner shall be permitted to designate one or more committees of the Partnership which committees may include Limited Partners as members. Any such committees shall have such powers and authority granted by the General Partner. Any Limited Partner who has agreed to serve on a committee shall not be deemed to have the power to bind or act for or on behalf of the Partnership in any manner and in no event shall a member of a committee be considered a general partner of the Partnership by agreement, estoppel or otherwise or be deemed to participate in the control and/or conduct of the business of the Partnership as a result of the performance of his duties hereunder or otherwise.

(e) The General Partner shall cause the Partnership to enter into an arrangement with the Management Company which arrangement shall require the Management Company to pay all costs and expenses of the Partnership.

Section 5.3 Transactions with Affiliates

To the fullest extent permitted by applicable law, the General Partner (or any Affiliate of the General Partner), when acting on behalf of the Partnership, is hereby authorized to (a) purchase property from, sell property to, lend money to or otherwise deal with any Affiliates, any Limited Partner, the Partnership, a Fund or any Affiliate of any of the foregoing Persons, and (b) obtain services from any Affiliates, any Limited Partner, the Partnership, a Fund or any Affiliate of the foregoing Persons.

Section 5.4 [Intentionally Omitted]

Section 5.5 Rights of Limited Partners

(a) Limited Partners shall have no right to take part in the management or control or in the conduct of the Partnership's business, nor shall they have any right or authority to act for the Partnership or to vote on matters other than as set forth in this Agreement or as required by applicable law.

(b) Without limiting the generality of the foregoing, the General Partner shall have the full and exclusive authority, without the consent of any Limited Partner, to compromise the obligation of any Limited Partner to make a capital contribution or to return money or other property paid or distributed to such Limited Partner in violation of the Partnership Act.

(c) Nothing in this Agreement shall entitle any Partner to any compensation for services rendered to or on behalf of the Partnership as an agent or in any other capacity, except for any amounts payable in accordance with this Agreement.

(d) Subject to the Fund LP Agreements and to full compliance with AGM's code of ethics and other written policies relating to personal investment and any other transactions,

membership in the Partnership shall not prohibit a Limited Partner from purchasing or selling as a passive investor any interest in any asset.

Section 5.6 Other Activities of General Partner

Nothing in this Agreement shall prohibit the General Partner from engaging in any activity other than acting as General Partner hereunder.

Section 5.7 Duty of Care; Indemnification

(a) The General Partner (including, without limitation, for this purpose each former and present director, officer, manager, member, employee and stockholder of the General Partner), the Partnership Representative and each Limited Partner (including any former Limited Partner) in his capacity as such, and to the extent such Limited Partner participates, directly or indirectly, in the Partnership's activities, whether or not a Retired Partner (each, a "Covered Person" and collectively, the "Covered Persons"), shall not be liable to the Partnership or to any of the other Partners for any loss, claim, damage or liability occasioned by any acts or omissions in the performance of his services hereunder, unless it shall ultimately be determined by final judicial decision from which there is no further right to appeal (a "Final Adjudication") that such loss, claim, damage or liability is due to an act or omission of a Covered Person (i) made in bad faith or with criminal intent, or (ii) that materially and adversely affected a Fund and that failed to satisfy the duty of care owed pursuant to the applicable Fund LP Agreement or as otherwise required by law.

(b) A Covered Person shall be indemnified to the fullest extent permitted by law by the Partnership against any losses, claims, damages, liabilities and expenses (including attorneys' fees, judgments, fines, penalties and amounts paid in settlement) incurred by or imposed upon him by reason of or in connection with any action taken or omitted by such Covered Person arising out of the Covered Person's status as a Partner or his activities on behalf of the Partnership, including in connection with any action, suit, investigation or proceeding before any judicial, administrative, regulatory or legislative body or agency to which it may be made a party or otherwise involved or with which it shall be threatened by reason of being or having been the General Partner, the Partnership Representative or a Limited Partner or by reason of serving or having served, at the request of the Partnership in its capacity as Fund General Partner, as a director, officer, consultant, advisor, manager, member or partner of any enterprise in which a Fund has or had a financial interest, including issuers of Portfolio Investments; provided, that the Partnership may, but shall not be required to, indemnify a Covered Person with respect to any matter as to which there has been a Final Adjudication that his acts or his failure to act (i) were in bad faith or with criminal intent, or (ii) were of a nature that makes indemnification by the Funds unavailable. The right to indemnification granted by this Section 5.7 shall be in addition to any rights to which a Covered Person may otherwise be entitled and shall inure to the benefit of the successors by operation of law or valid assigns of such Covered Person. The Partnership shall pay the expenses incurred by a Covered Person in defending a civil or criminal action, suit, investigation or proceeding in advance of the final disposition of such action, suit, investigation or proceeding (provided the foregoing was not instigated by the General Partner on behalf of the Partnership against the Covered Person), upon receipt of an undertaking by the Covered Person to repay such payment if there shall be a Final Adjudication that he is not entitled to

indemnification as provided herein. In any suit brought by the Covered Person to enforce a right to indemnification hereunder it shall be a defense that the Covered Person has not met the applicable standard of conduct set forth in this Section 5.7, and in any suit in the name of the Partnership to recover expenses advanced pursuant to the terms of an undertaking the Partnership shall be entitled to recover such expenses upon Final Adjudication that the Covered Person has not met the applicable standard of conduct set forth in this Section 5.7. In any such suit brought to enforce a right to indemnification or to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Covered Person is not entitled to be indemnified, or to an advancement of expenses, shall be on the Partnership (or any Limited Partner acting derivatively or otherwise on behalf of the Partnership or the Limited Partners). The General Partner may not satisfy any right of indemnity or reimbursement granted in this Section 5.7 or to which it may be otherwise entitled except out of the assets of the Partnership (including, without limitation, insurance proceeds and rights pursuant to indemnification agreements), and no Partner shall be personally liable with respect to any such claim for indemnity or reimbursement. The General Partner may enter into appropriate indemnification agreements and/or arrangements reflective of the provisions of this Article 5 and obtain appropriate insurance coverage on behalf and at the expense of the Partnership to secure the Partnership's indemnification obligations hereunder. Each Covered Person shall be deemed an intended third party beneficiary (to the extent not a direct party hereto) to this Agreement and, in particular, the provisions of this Article 5, and shall be entitled to the benefit of the indemnity granted to the Partnership by each of the Funds pursuant to the terms of the Fund LP Agreements.

(c) To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or the Partners, the Covered Person shall not be liable to the Partnership or to any Partner for his good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities of a Covered Person otherwise existing at law or in equity to the Partnership or the Partners, are agreed by the Partners to replace such other duties and liabilities of each such Covered Person to the fullest extent permitted by applicable law.

(d) Notwithstanding any of the foregoing provisions of this Section 5.7, the Partnership may but shall not be required to indemnify (i) a Retired Partner (or any other former Limited Partner) with respect to any claim for indemnification or advancement of expenses arising from any conduct occurring more than six months after the date of such Person's retirement (or other withdrawal or departure), (ii) a Limited Partner with respect to any claim for indemnification or advancement of expenses as a director, officer or agent of the issuer of any Portfolio Investment to the extent arising from conduct in such capacity occurring more than six months after the complete disposition of such Portfolio Investment by a Fund, or (iii) any Person to the extent the General Partner so determines.

Section 5.8 Discretion; Good Faith

Except as otherwise expressly provided herein or as required by law, each power and authority vested in the General Partner by or pursuant to any provisions of this Agreement, any Award Letter, any side letter or similar agreement, or the Partnership Act shall be construed as being exercisable by the General Partner in its sole and absolute discretion. To the fullest extent permitted by law and notwithstanding any other provision of this Agreement, any Award Letter or in any other agreement contemplated herein or applicable provisions of law or equity or

otherwise, whenever in this Agreement the General Partner is authorized to make a decision (a) in its discretion (whether explicitly or pursuant to the preceding sentence) or under a grant of similar authority, the General Partner shall be entitled to consider only such interests and factors as it desires, including its and its Affiliates' own interests, and shall otherwise have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or any other Person, or (b) in its good faith or under another express standard, the General Partner shall act under such express standard and shall not be subject to any other or different standard, and may exercise its discretion differently with respect to different Limited Partners.

Section 5.9 Modification of Fiduciary Duties

To the fullest extent permitted by law and notwithstanding any other duties at law, in equity or otherwise, it is the intention of the parties hereto that if the General Partner and the Covered Persons act in accordance with their duties to the Funds, they shall not be in breach of any duty owed to the Partnership or its Partners and shall not have any liability in respect thereof.

ARTICLE 6 ADMISSIONS, TRANSFERS AND WITHDRAWALS

Section 6.1 Admission of Additional Limited Partners; Effect on Points

(a) The General Partner may admit at any time any Person as an additional Limited Partner, and may assign Points to such Person and/or increase the Points of any existing Limited Partner, in each case, subject to and in accordance with the remaining provisions of this Section

6.1 and Section 7.1.

(b) Subject to Section 6.1(c), each additional Limited Partner shall execute (i) either a counterpart to this Agreement, an Award Letter or another separate instrument evidencing, to the satisfaction of the General Partner, such Limited Partner's intent to become a Limited Partner and their agreement to adhere to and be bound to this Agreement, and (ii) the documents contemplated by Section 7.1(b), and shall be admitted as a Limited Partner upon such execution.

(c) Notwithstanding the foregoing, the General Partner may admit additional Limited Partners without requiring, at the time of admission, the execution of this Agreement or an Award Letter, or any other formalities, by delivering a written notice of admission to the proposed additional Limited Partner (which may take the form of an email message) requesting a confirmation in response (which may also take the form of an email message). Upon receipt by the General Partner of such a confirmation (or waiver of such requirement by the General Partner), admission will be effective at the time and on the terms set forth in the admission notice. Upon such admission, the Person so admitted shall be deemed to have adhered to and agreed to be bound by the terms and conditions of this Agreement and shall have the rights and be subject to the obligations contained in this Agreement as if such Person and all existing Partners had together duly executed and delivered this Agreement. If the admission notice does not specify the magnitude of the initial interest of the Limited Partner, such interest will be deemed to be not less than a 1/2000th share of the Partnership's net profits, subject to applicable terms relating to dilution, vesting, return of unvested distributions and forfeiture as may be specified in the admission notice or thereafter in an Award Letter issued by the General Partner containing terms not inconsistent with the admission notice. Upon receipt of such an Award

Letter, the General Partner may require a Limited Partner to execute and deliver a counterpart thereof as a condition to the receipt of future distributions.

(d) Profits Interests.

(i) The Partnership and each Partner agree (i) that the General Partner shall be permitted to issue an interest in the Partnership to any Partner intended to be treated as “*Profits Interests*” with respect to the Partnership, within the meaning of Rev. Proc. 93-27, 1993-2 C.B. 343, as clarified by Rev. Proc. 2001-43, 2001-34 I.R.B. 191; (ii) to treat any Profits Interests as such; and (iii) that the provisions of this Agreement shall be interpreted in a manner consistent with the intended status of any Profits Interest.

(ii) Any Profits Interests issued by the Partnership shall be subject to the following provision:

Absent a contrary determination by the General Partner based on a change in law governing the taxation of “profits interests”: (A) the Partnership and each Partner shall treat each Partnership interest granted to such Partner as a Profits Interest; (B) the Partnership and each Partner shall treat each holder of a Profits Interest as the owner of such interest from the date such interest is granted until such interest is forfeited or otherwise disposed of; (C) each holder of a Profits Interest agrees to take into account such distributive share of the Partnership’s income, gain, deduction and loss in computing its U.S. federal income tax liability for the entire period during which it holds such Profits Interest; and (D) each Partner agrees not to claim a deduction (as wages, compensation or otherwise) in respect of any Profits Interest either upon grant or vesting of the Profits Interest. Upon a change in law governing the taxation of “profits interests,” each Partner shall take such actions as may be requested by the Partnership in response to such change in law, including agreeing to amend this Agreement in a manner the General Partner deems necessary or appropriate to reflect such change in law and reporting any such matters in their income tax returns as determined by the General Partner. Notwithstanding anything in this Agreement to the contrary, the General Partner is hereby authorized and empowered, without further vote or action of the Partners, to amend this Agreement as it deems necessary or appropriate to comply with the requirements of, or address changes to, any law applicable to the taxation of “profits interests.”

Section 6.2 Admission of Additional General Partner

The General Partner may admit one or more additional general partners at any time without the consent of any Limited Partner. No reduction in the Points of any Limited Partner shall be made as a result of the admission of an additional general partner or the increase in the Points of any general partner without the consent of such Limited Partner. Any additional general partner shall be admitted as a general partner of the Partnership upon its execution of a counterpart signature page to this Agreement or a separate instrument evidencing their agreement to adhere to and be bound by this Agreement, and upon the filing of an amendment to the Section 9 Statement with the Registrar pursuant to the Partnership Act.

Section 6.3 Transfer of Interests of Limited Partners

(a) No Transfer of any Limited Partner's interest in the Partnership, whether voluntary or involuntary, shall be valid or effective, and no transferee shall become a substituted Limited Partner, unless the prior written consent of the General Partner has been obtained, which consent may be given or withheld by the General Partner. Notwithstanding the foregoing, any Limited Partner may Transfer to any Related Party of such Limited Partner all or part of such Limited Partner's interest in the Partnership (subject to continuing obligations of such Limited Partner, including, without limitation, in respect of vesting, Restrictive Covenants and the Holdback Amount or any AGM Shares acquired in respect thereof), including, without limitation, his, her or its right to receive distributions of Operating Profit (other than with respect to AGM Shares); provided, that the Transfer has been previously approved in writing by the General Partner, such approval not to be unreasonably withheld. In the event of any Transfer, all of the conditions of the remainder of this Section 6.3 must also be satisfied.

(b) A Limited Partner or his legal representative shall give the General Partner notice before the proposed effective date of any voluntary Transfer and within 30 days after any involuntary Transfer, and shall provide sufficient information to allow legal counsel acting for the Partnership to make the determination that the proposed Transfer will not result in any of the following consequences:

- (i) require registration of the Partnership or any interest therein under any securities or commodities laws of any jurisdiction;
- (ii) result in a termination of the Partnership for U.S. tax purposes under section 708(b)(1)(B) of the Code or jeopardize the status of the Partnership as a partnership for United States federal income tax purposes; or
- (iii) violate, or cause the Partnership, the General Partner or any Limited Partner to violate, any applicable law, rule or regulation of any jurisdiction.

Such notice must be supported by proof of legal authority and a valid instrument of assignment acceptable to the General Partner.

(c) In the event any Transfer permitted by this Section 6.3 shall result in multiple ownership of any Limited Partner's interest in the Partnership, the General Partner may require one or more trustees or nominees to be designated to represent a portion of the interest transferred or the entire interest transferred for the purpose of receiving all notices which may be given and all payments which may be made under this Agreement, and for the purpose of exercising the rights which the transferees have pursuant to the provisions of this Agreement.

(d) A permitted transferee shall be entitled to be paid the allocations and distributions attributable to the interest in the Partnership transferred to such transferee and to Transfer such interest in accordance with the terms of this Agreement; provided, that such transferee shall not be entitled to the other rights of a Limited Partner as a result of such transfer until he becomes a substituted Limited Partner. No transferee may become a substituted Limited Partner except with

the prior written consent of the General Partner (which consent may be given or withheld by the General Partner, provided that in relation to the outgoing Limited Partner's Related Party such consent or approval must not be unreasonably withheld in accordance with Section 6.3(a)). Such transferee shall be admitted to the Partnership as a substituted Limited Partner upon execution of a counterpart of this Agreement or such other instrument evidencing, to the satisfaction of the General Partner, such Limited Partner's intent to become a Limited Partner and its agreement to adhere to and be bound to this Agreement. Notwithstanding the above, the Partnership and the General Partner shall incur no liability for allocations and distributions made in good faith to the transferring Limited Partner until a written instrument of Transfer has been received and accepted by the Partnership and recorded on its books and the effective date of the Transfer has passed.

(e) Any other provision of this Agreement to the contrary notwithstanding, to the fullest extent permitted by law, any successor or transferee of any Limited Partner's interest in the Partnership shall be bound by the provisions hereof. Prior to recognizing any Transfer in accordance with this Section 6.3, the General Partner may require the transferee to make certain representations and warranties to the Partnership and Partners and to accept, adopt and approve in writing all of the terms and provisions of this Agreement.

(f) In the event of a Transfer or in the event of a distribution of assets of the Partnership to any Partner, the Partnership, at the direction of the General Partner, may, but shall not be required to, file an election under section 754 of the Code and in accordance with the applicable Treasury Regulation, to cause the basis of the Partnership's assets to be adjusted as provided by section 734 or 743 of the Code.

(g) The Partnership shall maintain books for the purpose of registering the Transfer of partnership interests in the Partnership. No Transfer of a partnership interest shall be effective until the Transfer of the partnership interest is registered upon books maintained for that purpose by or on behalf of the Partnership.

(h) In the event of a Transfer of all of a Limited Partner's interest in the Partnership, such Limited Partner shall remain liable to the Partnership as contemplated by Section 4.2(b) and shall, if requested by the General Partner, expressly acknowledge such liability in such agreements as may be entered into by such Limited Partner in connection with such Transfer.

Section 6.4 Withdrawal of Partners

A Partner may not withdraw from the Partnership without the prior consent of the General Partner. The General Partner may prescribe the terms and conditions of any permitted withdrawal, and is under no duty to treat different Partners similarly with respect to any permitted withdrawal. For the avoidance of doubt, any Limited Partner who transfers to a Related Party such Limited Partner's entire remaining entitlement to allocations and distributions shall remain a Limited Partner, notwithstanding the admission of the transferee Related Party as a Limited Partner, for as long as the transferee Related Party remains a Limited Partner.

Section 6.5 Pledges

(a) A Limited Partner shall not pledge, charge or grant a security interest in such Limited Partner's interest in the Partnership unless the prior written consent of the General Partner has been obtained (which consent may be given or withheld by the General Partner in its discretion).

(b) Notwithstanding Section 6.5(a) and subject to the requirements of applicable law, any Limited Partner may grant to a bank or other financial institution a security interest in such part of such Limited Partner's interest in the Partnership as relates solely to the right to receive distributions of Operating Profit in the ordinary course of obtaining bona fide loan financing to fund his contributions to the capital of the Partnership or Co-Investors (A). If the interest of the Limited Partner in the Partnership or Co-Investors (A) or any portion thereof in respect of which a Limited Partner has granted a security interest ceases to be owned by such Limited Partner in connection with the exercise by the secured party of remedies resulting from a default by such Limited Partner or upon the occurrence of such similar events with respect to such Limited Partner's interest in Co-Investors (A), such interest of the Limited Partner in the Partnership or portion thereof shall thereupon become a non-voting interest and the holder thereof shall not be entitled to vote on any matter pursuant to this Agreement.

(c) For purposes of the grant, pledge, charge, attachment or perfection of a security interest in a partnership interest in the Partnership or otherwise, each such partnership interest shall constitute a "security" within the meaning of, and governed by, (i) article 8 of the Uniform Commercial Code (including section 8-102(a)(15) thereof) as in effect from time to time in the State of New York (the "NYUCC"), and (ii) article 8 of the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.

(d) Any partnership interest in the Partnership may be evidenced by a certificate issued by the Partnership in such form as the General Partner may approve. Every certificate representing an interest in the Partnership shall bear a legend substantially in the following form:

Each partnership interest constitutes a "security" within the meaning of, and governed by, (i) article 8 of the Uniform Commercial Code (including section 8-102(a)(15) thereof) as in effect from time to time in the State of New York (the "UCC"), and (ii) article 8 of the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.

THE TRANSFER OF THIS CERTIFICATE AND THE PARTNERSHIP INTERESTS REPRESENTED HEREBY IS RESTRICTED AS DESCRIBED IN THE AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT OF THE PARTNERSHIP DATED MARCH 31, 2022 WITH A DEEMED EFFECTIVE DATE AS

AMONG THE PARTIES THERETO OF SEPTEMBER 29, 2020, AS THE SAME MAY BE AMENDED OR RESTATED FROM TIME TO TIME.

(e) Each certificate representing a partnership interest in the Partnership shall be executed by manual, electronic or facsimile signature of the General Partner on behalf of the Partnership.

(f) Notwithstanding any provision of this Agreement to the contrary, to the extent that any provision of this Agreement is inconsistent with any non-waivable provision of article 8 of the NYUCC, such provision of article 8 of the NYUCC shall control.

ARTICLE 7

ALLOCATION OF POINTS; ADJUSTMENTS OF POINTS AND RETIREMENT OF PARTNERS

Section 7.1 Allocation of Points

(a) Except as otherwise provided herein, the General Partner shall be responsible for the allocation of Points from time to time to the Limited Partners. The General Partner may allocate Points to a new Limited Partner and/or increase the Points of any existing Limited Partner, in each case, solely in accordance with the terms and conditions set forth herein.

(b) Unless otherwise agreed by the General Partner, the allocation of Points to any Limited Partner shall not become effective until:

(i) the receipt of the following documents, in form and substance reasonably satisfactory to the General Partner, executed by such Limited Partner: (A) a customary and standard guarantee or guarantees, for the benefit of Fund investors, of the Limited Partner's Clawback Share of the Partnership's obligation to make Clawback Payments, and (B) a customary and standard undertaking to reimburse APH for any payment made by it (or by another AGM Affiliate) that is attributable to such Limited Partner's Clawback Share of any Clawback Payment; and

(ii) the effective date of the acceptance by Co-Investors (A) of a capital commitment from such Limited Partner (or his Related Party, as applicable) in an amount described in the Award Letter or in an amount equal to the percentage of total Fund commitments specified in the Points allocation notice delivered to such Limited Partner in writing by the General Partner. Upon the occurrence of a material default, after the expiration of the applicable cure period set forth in section 4.2 of the Co-Investors (A) Partnership Agreement, in the obligation to contribute capital to Co-Investors (A) in accordance with the Co-Investors (A) Partnership Agreement by a Limited Partner, the General Partner may reduce or eliminate the Points of any such Limited Partner (including the Vested Points of any Retired Partner).

(c) The General Partner shall maintain on the books and records of the Partnership a record of the number of Points allocated to each Partner and shall give notice to each Limited Partner of the number of such Limited Partner's Points upon admission to the Partnership of such Limited Partner and promptly upon any change in such Limited Partner's Points pursuant to

this Article 7 and such notice shall include the calculations used by the General Partner to determine the amount of any such reduction. The Limited Partners shall not otherwise have the right to inspect the record of the number of Points allocated to each Partner, except upon prior consent of the General Partner.

Section 7.2 Retirement of Partner

(a) A Limited Partner shall become a Retired Partner upon:

(i) delivery to such Limited Partner of a notice by the General Partner or any of its Affiliates terminating such Limited Partner's employment by or service to AGM or an Affiliate thereof, unless otherwise determined by the General Partner;

(ii) delivery by such Limited Partner of a notice to the General Partner, AGM or an Affiliate thereof stating that such Limited Partner elects to resign from or otherwise terminate his or her employment by or service to AGM or an Affiliate thereof; or

(iii) the death of the Limited Partner, whereupon the estate of the deceased Limited Partner shall be treated as a Retired Partner in the place of the deceased Limited Partner, or the Disability of the Limited Partner.

(b) Nothing in this Agreement or at law or in equity shall obligate the General Partner to treat Retired Partners alike, and the exercise of any power or discretion by the General Partner in the case of any one such Retired Partner shall not create any obligation on the part of the General Partner to take any similar action in the case of any other such Retired Partner, it being understood that any power or discretion conferred upon the General Partner shall be treated as having been so conferred as to each such Retired Partner separately.

Section 7.3 Additional Points

If one or more Partners or Retired Partners is assigned additional Points and the General Partner determines in connection with such assignment that such assignment may be, for purposes of section 83 of the Code, a transfer in connection with the performance of services of an interest that would not qualify as a "profits interest" within the meaning of IRS Revenue Procedure 93-27, then the General Partner may make such adjustments to the amounts allocated and distributed to such Partner or Retired Partner with respect to such reallocated Points (and corresponding adjustments to other allocations and distributions for Partners and Retired Partners as determined by the General Partner) so as to cause such interest to qualify as a "profits interest" within the meaning of IRS Revenue Procedure 93-27, including by treating such reallocation as an event described in the definitions of "Carrying Value" and "Book-Tax Difference" and by treating such Partner or Retired Partner as a Newly-Admitted Limited Partner with respect to such Points.

ARTICLE 8 WINDING UP AND DISSOLUTION

Section 8.1 Winding Up and Dissolution of Partnership

(a) Upon the commencement of the winding up of the Partnership in accordance with the Partnership Act, the General Partner shall wind up the business and administrative affairs and liquidate the assets of the Partnership, except that, if the General Partner is unable to perform this function, a liquidator may be elected by a majority in interest (determined by Points) of Limited Partners and upon such election such liquidator shall liquidate the Partnership. Capital Profit and Capital Loss, Operating Profit and Operating Loss during the Fiscal Years that include the period of liquidation shall be allocated pursuant to Section 3.4. The proceeds from liquidation shall be distributed in the following manner:

(i) first, the debts, liabilities and obligations of the Partnership including the expenses of liquidation (including legal and accounting expenses incurred in connection therewith), up to and including the date that distribution of the Partnership's assets to the Partners has been completed, shall be satisfied (whether by payment or by making reasonable provision for payment thereof); and

(ii) thereafter, the Partners shall be paid amounts pro rata in accordance with and up to the positive balances of their respective Capital Accounts, as adjusted pursuant to Article 3.

(b) Anything in this Section 8.1 to the contrary notwithstanding, the General Partner or liquidator may distribute ratably in kind rather than in cash, upon dissolution, any assets of the Partnership in accordance with the priorities set forth in Section 8.1(a), provided, that if any in kind distribution is to be made the assets distributed in kind shall be valued as of the actual date of their distribution and charged as so valued and distributed against amounts to be paid under Section 8.1(a).

(c) Following the completion of the winding up of the Partnership, the General Partner (or the liquidator as applicable) shall execute, acknowledge and cause to be filed a notice of dissolution (the "Notice of Dissolution") of the Partnership with the Registrar and the winding up of the Partnership shall be complete on the filing of the Notice of Dissolution.

ARTICLE 9 GENERAL PROVISIONS

Section 9.1 Amendment of Partnership Agreement and Co-Investors (A) Partnership Agreement

(a) The General Partner may amend this Agreement at any time, in whole or in part, without the consent of any Limited Partner by giving notice of such amendment to any Limited Partner whose rights or obligations as a Limited Partner pursuant to this Agreement are changed thereby; provided, that any amendment that would effect a material adverse change in the contractual rights or obligations of a Partner (such rights or obligations determined without regard to the amendment power reserved herein) may only be made if the written consent of such Partner

is obtained prior to the effectiveness thereof; provided, that any amendment that increases a Partner's obligation to contribute to the capital of the Partnership or increases such Partner's Clawback Share shall not be effective with respect to such Partner, unless such Partner consents thereto in advance in writing. Notwithstanding the foregoing, the General Partner may amend this Agreement at any time, in whole or in part, without the consent of any Limited Partner to enable the Partnership to (i) comply with the requirements of the "Safe Harbor" Election within the meaning of the Proposed Revenue Procedure of Notice 2005-43, 2005-24 IRB 1, Proposed Treasury Regulation section 1.83-3(e)(1) or Proposed Treasury Regulation section 1.704- 1(b)(4)(xii) at such time as such proposed Procedure and Regulations are effective and to make any such other related changes as may be required by pronouncements or Treasury Regulation issued by the Internal Revenue Service or Treasury Department after the date of this Agreement and (ii) enable, when applicable, the Partnership (or the Partnership Representative) to comply with the BBA Audit Rules or to make any elections or take any other actions available thereunder; provided, that any amendment pursuant to clauses (i) or (ii) that would cause a Limited Partner's rights to allocations and distributions to suffer a material adverse change only may be made if the written consent of such Limited Partner is obtained prior to the effectiveness thereof. An adjustment of Points shall not be considered an amendment to the extent effected in compliance with the provisions of Section 2.9, Section 7.1 or Section 7.3 as in effect on the date hereof or as hereafter amended in compliance with the requirements of this Section 9.1(a). The General Partner's approval of or consent to any transaction resulting in any change to the scheme of distribution under a Fund LP Agreement that would have the effect of reducing the Partnership's allocable share of the Net Income of the relevant Fund shall require the consent of any Limited Partner on whom such change would have a material adverse effect.

(b) Notwithstanding the provisions of this Agreement, including Section 9.1(a), it is hereby acknowledged and agreed that the General Partner on its own behalf or on behalf of the Partnership without the approval of any Limited Partner or any other Person may enter into one or more side letters or similar agreements with one or more Limited Partners which have the effect of establishing rights under, or altering or supplementing the terms of this Agreement. The parties hereto agree that any terms contained in a side letter or similar agreement with one or more Limited Partners shall govern with respect to such Limited Partner or Limited Partners notwithstanding the provisions of this Agreement. Any such side letters or similar agreements shall be binding upon the Partnership or the General Partner, as applicable, and the signatories thereto as if the terms were contained in this Agreement, but no such side letter or similar agreement between the General Partner and any Limited Partner or Limited Partners and the Partnership shall adversely amend the contractual rights or obligations of any other Limited Partner without such other Limited Partner's prior consent.

(c) The provisions of this Agreement that affect the terms of the Co-Investors (A) Partnership Agreement applicable to Limited Partners constitute a "side letter or similar agreement" between each Limited Partner and the general partner of Co-Investors (A), which has executed this Agreement exclusively for purposes of confirming the foregoing.

Section 9.2 Power-of-Attorney

(a) Each Partner hereby irrevocably makes, constitutes and appoints the General Partner with full power of substitution, the true and lawful representative and attorney-in-fact,

and in the name, place and stead of such Partner, with the power from time to time to make, execute, sign, acknowledge, swear to, verify, deliver, record, file and/or publish:

(i) any amendment to, or amendment and restatement of, this Agreement which complies with the provisions of this Agreement (including the provisions of Section 9.1);

(ii) all such other instruments, documents and certificates which, in the opinion of legal counsel to the Partnership, may from time to time be required by the laws of the Cayman Islands, the United States of America or any other jurisdiction, or any political subdivision or agency thereof, or which such legal counsel may deem necessary or appropriate to effectuate, implement and continue the valid and subsisting existence and business of the Partnership as an exempted limited partnership;

(iii) all such instruments, certificates, agreements and other documents relating to the conduct of the investment program of the Funds which, in the opinion of such attorney-in-fact and the legal counsel to the Funds, are reasonably necessary to accomplish the legal, regulatory and fiscal objectives of the Funds in connection with their acquisition, ownership and disposition of investments, including, without limitation:

(A) the governing documents of any management entity formed as a part of the tax planning for the Funds and any amendments thereto; and

(B) documents relating to any restructuring transaction with respect to any of the Funds' investments,

provided, that such documents referred to in clauses (A) and (B) above, viewed individually or in the aggregate, provide equivalent financial and economic rights and obligations with respect to such Limited Partner and otherwise do not:

(1) increase the Limited Partner's financial obligation to make capital contributions with respect to the relevant Fund (directly or through any associated vehicle in which the Limited Partner holds an interest);

(2) diminish the Limited Partner's entitlement to share in profits and distributions with respect to the relevant Fund (directly or through any associated vehicle in which the Limited Partner holds an interest);

(3) cause the Limited Partner to become subject to increased personal liability for any debts or obligations of the Partnership or other Partners; or

(4) otherwise result in an adverse change in the rights or obligations of the Limited Partner in relation to the conduct of the investment program of the Funds;

(iv) any instrument or document necessary or advisable to implement the provisions of Section 3.9 of this Agreement;

(v) any written notice or letter of resignation from any board seat or office of any Person (other than a company that has a class of equity securities registered under the United States Securities Exchange Act of 1934, as amended, or that is registered under the United States Investment Company Act of 1940, as amended), which board seat or office was occupied or held at the request of the Partnership or any of its Affiliates; and

(vi) all such proxies, consents, assignments and other documents as the General Partner determines to be necessary or advisable in connection with any merger or other reorganization, restructuring or other similar transaction entered into in accordance with this Agreement (including the provisions of Section 9.5(c)).

(b) Each Limited Partner is aware that the terms of this Agreement permit certain amendments to this Agreement to be effected and certain other actions to be taken or omitted by or with respect to the Partnership without his consent. If an amendment of the Section 9 Statement or this Agreement is made or any action by or with respect to the Partnership is taken by the General Partner in the manner contemplated by this Agreement, each Limited Partner agrees that, notwithstanding any objection which such Limited Partner may assert with respect to such action, the General Partner is authorized and empowered, with full power of substitution, to exercise the authority granted above in any manner which may be necessary or appropriate to permit such amendment to be made or action lawfully taken or omitted. Each Partner is fully aware that each other Partner will rely on the effectiveness of this power-of-attorney with a view to the orderly administration of the affairs of the Partnership. This power-of-attorney is a power-of-attorney and is intended to secure a proprietary interest and the performance of the obligations of each Limited Partner in favor of the General Partner and as such:

(i) shall be irrevocable and continue in full force and effect notwithstanding the subsequent death or incapacity of any party granting this power-of-attorney, regardless of whether the Partnership or the General Partner shall have had notice thereof; and

(ii) shall survive any Transfer by a Limited Partner of the whole or any portion of its interest in the Partnership, except that, where the transferee thereof has been approved by the General Partner for admission to the Partnership as a substituted Limited Partner, this power-of-attorney given by the transferor shall survive such Transfer for the sole purpose of enabling the General Partner to execute, acknowledge and file any instrument necessary to effect such substitution; and

(iii) extends to the heirs, executors, administrators, other legal representatives and successors, transferees and assigns of such Limited Partner, and may be exercised by the General Partner on behalf of such Limited Partner in executing any instrument by a facsimile or electronic signature or by listing all the Limited Partners and executing that instrument with a single signature as attorney and/or agent for all of them.

Section 9.3 Notices

Any notice required or permitted to be given under this Agreement shall be in writing. A notice to the General Partner shall be directed to the attention of Scott Kleinman with a copy to the general counsel of the Partnership. A notice to a Limited Partner shall be directed to such Limited Partner's last known residence as set forth in the books and records of the Partnership or its Affiliates (a Limited Partner's "Home Address"). A notice shall be considered given when delivered to the addressee either by hand at his Partnership office or electronically to the primary e-mail account supplied by the Partnership for Partnership business communications, except that a notice to a Retired Partner or a notice demanding cure of a Bad Act shall be considered given only when delivered by hand or by a recognized overnight courier, together with mailing through the United States Postal System by regular mail to such Retired Partner's Home Address.

Section 9.4 Agreement Binding Upon Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors by operation of law, but the rights and obligations of the Partners hereunder shall not be assignable, transferable or delegable except as expressly provided herein, and any attempted assignment, Transfer or delegation thereof that is not made in accordance with such express provisions shall be voidable and unenforceable.

Section 9.5 Merger, Consolidation, etc.

(a) Subject to Section 9.5(b) and Section 9.6(c), and to the extent permitted by law, the Partnership may merge or consolidate with or into one or more limited partnerships formed under the Partnership Act or other business entities pursuant to an agreement of merger or consolidation which has been approved by the General Partner and without the consent of any other Partner.

(b) Subject to Section 9.5(c) but notwithstanding any other provision to the contrary contained elsewhere in this Agreement, an agreement of merger or consolidation approved in accordance with Section 9.5(a) may, to the extent permitted by the Partnership Act and Section 9.5(a), (i) effect any amendment to this Agreement, (ii) effect the adoption of a new partnership agreement for the Partnership if it is the surviving or resulting limited partnership in the merger or consolidation, or (iii) provide that the partnership agreement of any other constituent limited partnership to the merger or consolidation (including a limited partnership formed for the purpose of consummating the merger or consolidation) shall be the partnership agreement of the surviving or resulting limited partnership.

(c) The General Partner shall have the power and authority to approve and implement any merger, consolidation or other reorganization, restructuring or similar transaction without the consent of any Limited Partner, other than any Limited Partner with respect to which such transaction will, or will reasonably be likely to, result in any change in the financial rights or obligations or material change in other rights or obligations of such Limited Partner conferred by this Agreement and any side letter or similar agreement entered into pursuant to Section 9.1(b) or the imposition of any new financial or other material obligation on such Limited Partner. Subject to the foregoing, the General Partner may require one or more of the Limited Partners to sell, exchange, Transfer or otherwise dispose of their interests in the Partnership in connection with

any such transaction, and each Limited Partner shall take such action as may be directed by the General Partner to effect any such transaction.

Section 9.6 Governing Law; Dispute Resolution

(a) This Agreement, and the rights and obligations of each and all of the Partners hereunder, shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to conflict of laws rules thereof.

(b) Subject to Section 9.6(c), any dispute, controversy, suit, action or proceeding arising out of or relating to this Agreement will be settled exclusively by arbitration, conducted before a single arbitrator in New York County, New York (applying Cayman Islands law) in accordance with, and pursuant to, the applicable rules of JAMS ("JAMS"). The arbitration shall be conducted on a strictly confidential basis, and none of the parties shall disclose the existence of a claim, the nature of a claim, any documents, exhibits, or information exchanged or presented in connection with such a claim, or the result of any action, to any third party, except as required by law, with the sole exception of their legal counsel and parties engaged by that counsel to assist in the arbitration process, who also shall be bound by these confidentiality terms. The decision of the arbitrator will be final and binding upon the parties hereto. Any arbitral award may be entered as a judgment or order in any court of competent jurisdiction. Either party may commence litigation in court to obtain injunctive relief in aid of arbitration, to compel arbitration, or to confirm or vacate an award, to the extent authorized by the United States Federal Arbitration Act or the New York Arbitration Act. The party that is determined by the arbitrator not to be the prevailing party will pay all of the JAMS administrative fees, the arbitrator's fee and expenses. If neither party is so determined, such fees shall be shared. Each party shall be responsible for such party's attorneys' fees. IF THIS AGREEMENT TO ARBITRATE IS HELD INVALID OR UNENFORCEABLE THEN, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH PARTNER AND THE PARTNERSHIP WAIVE AND COVENANT THAT THE PARTNER AND THE PARTNERSHIP WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS AGREEMENT, WHETHER NOW OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AND AGREE THAT ANY OF THE PARTNERSHIP OR ANY OF ITS AFFILIATES OR THE PARTNER MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTNERSHIP AND ITS AFFILIATES, ON THE ONE HAND, AND THE PARTNER, ON THE OTHER HAND, IRREVOCABLY TO WAIVE THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING WHATSOEVER BETWEEN SUCH PARTIES ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THAT ANY PROCEEDING PROPERLY HEARD BY A COURT UNDER THIS AGREEMENT WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

(c) Nothing in this Section 9.6 will prevent the General Partner or a Limited Partner from applying to a court for preliminary or interim relief or permanent injunction in a judicial proceeding (e.g., injunction or restraining order), in addition to and not in lieu of any other

remedy to which it may be entitled at law or in equity, if such relief from a court is necessary to preserve the status quo pending resolution or to prevent serious and irreparable injury in connection with any breach or anticipated breach of any Restrictive Covenants set forth in a Limited Partner's Award Letter; provided, that all parties explicitly waive all rights to seek preliminary, interim, injunctive or other relief in a judicial proceeding and all parties submit to the exclusive jurisdiction of the forum described in Section 9.6(b) hereto for any dispute or claim concerning continuing entitlement to distributions or other payments, even if such dispute or claim involves or relates to any Restrictive Covenants set forth in a Limited Partner's Award Letter. For the purposes of this Section 9.6(c), each party hereto consents to the exclusive jurisdiction and venue of the courts of the Cayman Islands.

Section 9.7 Termination of Right of Action

Every right of action arising out of or in connection with this Agreement by or on behalf of any past, present or future Partner or the Partnership against any past, present or future Partner shall, to the fullest extent permitted by applicable law, irrespective of the place where the action may be brought and irrespective of the residence of any such Partner, cease and be barred by the expiration of three years from the date of the act or omission in respect of which such right of action arises.

Section 9.8 No Third Party Beneficiary

Except with respect to the rights of Covered Persons hereunder and the rights of any Person which retains indemnification rights pursuant to Section 5.7(b), each of whom shall be an intended third party beneficiary and shall be entitled to enforce the provisions of Section 5.7, none of the provisions of this Agreement shall be for the benefit of or enforceable by the creditors of the Partnership and this Agreement shall be binding upon and inure to the benefit of the Partners and their respective legal representatives, successors and permitted assigns. Without limitation to the foregoing, a Person who is not a party to this Agreement may not, in its own right or otherwise, enforce any term of this Agreement except that each Covered Person and any Person which retains indemnification rights pursuant to Section 5.7, may in its own right enforce directly its rights pursuant to the provisions of Section 5.7 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act, as amended, modified, re-enacted or replaced. Notwithstanding any other term of this Agreement, the consent of, or notice to, any Person who is not a party to this Agreement (including, without limitation, any Covered Person and any Person which retains indemnification rights pursuant to Section 5.7) is not required for any amendment to, or variation, release, rescission or termination of this Agreement.

Section 9.9 Reports

As soon as practicable after the end of each taxable year, the General Partner shall furnish to each Limited Partner (a) such information as may be required to enable each Limited Partner to properly report for United States federal and state income tax purposes his distributive share of each Partnership item of income, gain, loss, deduction or credit for such year, and (b) a statement of the total amount of Operating Profit or Operating Loss for such year, including a copy of the United States Internal Revenue Service Schedule "K-1" issued by the Partnership to such Limited Partner, and a reconciliation of any difference between (i) such Operating Profit or Operating Loss, and (ii) the aggregate net profits or net losses allocated by the Funds to the

Partnership for such year (other than any difference attributable to the aggregate Capital Profit or Capital Loss allocated by the Funds to the Partnership for such year).

Section 9.10 Filings

The Partners hereby agree to take any measures necessary (or, if applicable, refrain from any action) to ensure that the Partnership is treated as a partnership for federal, state and local income tax purposes.

Section 9.11 Headings, Gender, Etc.

The section headings in this Agreement are for convenience of reference only, and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof. As used herein, masculine pronouns shall include the feminine and neuter, and the singular shall be deemed to include the plural.

Section 9.12 Electronic Signature

The words “executed,” “signed,” “signature,” and words of like import in this Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act or the Electronic Transactions Act (as amended) of the Cayman Islands. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement and all of which together shall constitute one and the same instrument.

Section 9.13 Severability of Provisions

Each provision of this Agreement shall be considered severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

Signature Page Follows

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as a deed on the day and year first above written.

General Partner:

APOLLO HYBRID VALUE CAPITAL MANAGEMENT II, LLC

By: /s/ Matthew Breitfelder

Name: Matthew Breitfelder

Title: Vice President

Limited Partner:

APH HOLDINGS, L.P.

By: Apollo Principal Holdings III GP, Ltd., its general partner

By: /s/ Matthew Breitfelder

Name: Matthew Breitfelder

Title: Vice President

*Apollo Hybrid Values Advisors II, L.P.
Amended and Restated Exempted Limited Partnership Agreement
Signature Page*

Limited Partners:

Executed as a deed by APOLLO HYBRID VALUE CAPITAL MANAGEMENT II, LLC as attorney-in- fact for and on behalf of all Persons listed on the Schedule of Partners (other than any Limited Partner whose signature appears above) who are being admitted to the Partnership on the date of this Agreement as Limited Partners pursuant to powers of attorney granted to the General Partner:

By: Apollo Hybrid Value Capital Management II, LLC,
as attorney-in-fact

By: /s/ Matthew Breitfelder
Name: Matthew Breitfelder Title: Vice President

Apollo Hybrid Values Advisors II, L.P.
Amended and Restated Exempted Limited Partnership Agreement
Signature Page

For purposes of Section 9.1(c):

APOLLO CO-INVESTORS MANAGER, LLC

By: /s/ Matthew Breitfelder

Name: Matthew Breitfelder

Title: Vice President

*Apollo Hybrid Values Advisors II, L.P.
Amended and Restated Exempted Limited Partnership Agreement
Signature Page*

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Marc Rowan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 of Apollo Global Management, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 9, 2023

/s/ Marc Rowan

Marc Rowan

Chief Executive Officer

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Martin Kelly, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 of Apollo Global Management, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 9, 2023

/s/ Martin Kelly

Martin Kelly

Chief Financial Officer

Certification of the Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Apollo Global Management, Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Marc Rowan, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2023

/s/ Marc Rowan

Marc Rowan
Chief Executive Officer

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Certification of the Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Apollo Global Management, Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Martin Kelly, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2023

/s/ Martin Kelly

Martin Kelly

Chief Financial Officer

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.