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Landmark report reveals hidden fossil fuel portfolio of private equity titan KKR, finds major underreporting of climate emissions

- *Estimated emissions over 6,500 times higher than KKR reported to investors*
- *Continued investment in Liquefied Natural Gas (LNG) raises alarm over stranded asset risk*

With over half a trillion dollars (\$553 billion) in assets under management, Kohlberg Kravis Roberts & Co (KKR) has emerged as a major financier in the energy sector, yet the firm is not required to disclose the full scope of its investments or its impact due to regulatory loopholes. A new report by Private Equity Climate Risks consortium members Americans for Financial Reform Education Fund and Global Energy Monitor, [93 Million: The Carbon Emissions KKR Didn't Disclose](#), finds that **KKR holds investments in 188 fossil fuel assets in 21 countries**, spread among the firm's ownership of 17 portfolio companies.

These investment portfolios include Crescent Energy, Sempra Infrastructure, and involvement in six "[carbon bomb](#)"-linked projects in the Barnett/Permian/Eagle Ford basins (U.S.), Duvernay/Montney basins (Canada), and Maritsa coal mine (Bulgaria).

The report also quantifies KKR's global carbon footprint, estimating that in 2023, KKR's fossil fuel investments **emitted over 93 million metric tons of CO₂ equivalent**—comparable to the energy production-related emissions from Tennessee or Wisconsin and about 6,500 times the figure KKR reported to investors in its latest Sustainability Report.

"KKR's behavior is a classic example of greenwashing. Outwardly, KKR portrays itself as a climate-friendly business but our research finds that KKR is doing the exact opposite," **said Dustin Duong, research associate at Americans for Financial Reform Education Fund.** "KKR actively pursues and pours money into fossil fuel assets, and fails to disclose the full emissions footprint of its portfolio. KKR will be allowed to keep obscuring the true impact of their activities on investors and the public if regulators and Congress choose to overlook this ballooning risk and cease to take any meaningful action on disclosures."

"KKR is actively funding polluting projects and the creation of new fossil infrastructure, despite clear scientific evidence and global agreements pointing to the need to phase out fossil fuels," **said Alyssa Moore, researcher at Global Energy Monitor.** "KKR should publish a full and transparent accounting of their financed emissions so that investors and community stakeholders can have the whole picture."

KKR's fossil fuel portfolio spans numerous sectors in the fossil fuel industry and various stages of the supply chain, ranging from the extraction of oil to the burning of natural gas. KKR conducts many of its purchases from energy-specific funds as well as through mixed infrastructure funds, such as the KKR Global Infrastructure Investors IV fund, through which it invested in Port Arthur LNG. All of this contributes to obfuscating the true extent of its climate risk.

The report also shows KKR's heavy involvement in LNG terminals, through ownership of the Cameron LNG terminal in Louisiana, the Energia Costa Azul terminal in Mexico, and the under-construction Port Arthur terminal in Texas. Though KKR has described LNG as a "reliable and cleaner energy during the global energy transition," [recent research](#) suggests the buildout of LNG export facilities is significantly detrimental to environmental and climate goals, with greenhouse gas emissions in a best-case scenario 24 percent worse than coal.

"KKR's investments in the U.S. LNG export industry not only produce tremendous greenhouse gas emissions but also come with community harms the firm is culpable for," **said Nichole Heil, research and campaign coordinator at Private Equity Stakeholder Project.** "Continued investments in LNG are not aligned with greenhouse reduction goals and expose institutional investors to long-term financial risks associated with such a precarious industry."

The private equity firm's active investment in a number of fossil fuel projects with [demonstrated records of community harm](#), such as the Colonial Pipeline and the Coastal GasLink Pipeline, has come under recent scrutiny. In April, the Chicago Teachers Pension Fund [voted down](#) new investment in KKR, citing its poor track record on climate and environmental justice, referencing a prior Private Equity Climate Risks consortium report.

"The truth is now out there: KKR lies about its carbon emissions," **said Chief Na'Moks, a hereditary chief of the Wet'suwet'en Nation**, where a KKR-backed company is constructing Coastal GasLink on unceded Indigenous sovereign land. "The fact that their emissions are actually 6,500 times higher than what they report is absolute greenwashing. Anyone with a conscience will distance themselves from KKR."

"KKR's funding of fossil fuel projects in the Gulf South cannot be ignored any longer," **said Roishetta Ozane, an activist and director of the Vessel Project of Louisiana.** "This report has exposed KKR's shocking climate emissions, which are poisoning our air and water and making our children sick. It is disheartening to see a company that claims to prioritize sustainability engaging in such harmful practices. We urge KKR to take responsibility and immediately halt its investments in fossil fuels."

"As banks and other financial institutions face pressure to exit the dying fossil fuel industry, private equity firms like KKR are swooping in, funneling billions of dollars towards oil and gas

projects that destroy communities worldwide and put us all at risk,” said **Melanie Kruevelis**, **senior climate finance organizer at Strong Economy for All**. “KKR’s investors, including workers’ pension funds and university endowments, must pressure KKR to end its fossil fuel financing, and stop killing us all for profit.”

KKR is [far from the only private equity firm](#) with ongoing investments in oil and gas. Since 2010, private equity firms have channeled at least \$1.1 trillion into oil and gas exploration, extraction, pipelines, and power plants worldwide. Private equity firms often adopt strategies like saddling portfolio companies with debt and implementing aggressive cost-cutting measures, which force these companies to take excessive risks in pursuit of rapid profit growth. These companies then struggle to operate when resources that should have been allocated to capital improvements, maintenance, environmental safeguards, asset retirement and remediation, or decarbonization are instead redirected to Wall Street investors.

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The Private Equity Climate Risks consortium’s mission is to investigate private equity’s impact on the climate crisis. Members include Americans for Financial Reform Education Fund (AFREF), Global Energy Monitor (GEM), and the Private Equity Stakeholder Project (PESP). Read more and download past reports at: <https://www.peclimaterisks.org>.

About Americans for Financial Reform Education Fund

Americans for Financial Reform Education Fund (AFREF) is a nonpartisan, nonprofit coalition of more than 200 civil rights, community-based, consumer, labor, business, investor, faith-based and civic groups, along with individual experts. Our mission is to fight to create a financial system that deconstructs systemic racism and inequality and promotes a just and sustainable economy. Follow AFREF at www.ourfinancialsecurity.org and on Twitter @RealBankReform.

About Global Energy Monitor

Global Energy Monitor (GEM) develops and shares information in support of the worldwide movement for clean energy. By studying the evolving international energy landscape, creating databases, reports, and interactive tools that enhance understanding, GEM seeks to build an open guide to the world’s energy system. Users of GEM’s data and reports include the International Energy Agency, United Nations Environment Programme, the World Bank, and the Bloomberg Global Coal Countdown. Follow GEM at www.globalenergymonitor.org and on Twitter @GlobalEnergyMon.