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APOLLO

# **Apollo Announces Review of Significant Governance Enhancements as Part of Continued Evolution and Institutionalization of the Firm and Leadership Transition**

**New Directors Appointed and Board and Executive Committee to Consider Recommendations for Further Expansion, Simplified Voting Structure and Elimination of Executive Committee**

**Leon Black to Retire on or before July 31, 2021 as CEO and to Remain Chairman, Marc Rowan Named Successor**

NEW YORK, Jan. 25, 2021 (GLOBE NEWSWIRE) -- Apollo Global Management, Inc. (NYSE: APO) (together with its consolidated subsidiaries, "Apollo") today announced that Chairman and CEO Leon Black has informed the Board of Directors that he will retire as CEO effective on or before July 31, 2021 consistent with best-in-class governance practices. The Executive Committee, with the support of the Board, unanimously approved Marc Rowan as CEO to succeed Mr. Black who will continue as Apollo's Chairman.

In addition, Apollo's Board will be expanded and will include four new independent directors. Pamela Joyner, an esteemed business leader and founder of Avid Partners, and Siddhartha Mukherjee, a world-renowned physician and scientist, have been appointed to the Board effective March 1, 2021, and the Company expects to appoint two additional independent directors from highly qualified candidates as soon as practical. In addition, Apollo Co-Presidents Scott Kleinman and James Zelter have been named to the Board and will take on increased responsibility for the day-to-day operations of the company.

Leon Black, Chairman and CEO of Apollo, said, "I am extraordinarily proud of the firm I have helped build over the past 30 years and the value we bring to our clients, investors and communities. Since our IPO in early 2011, we have focused on transforming Apollo and developing the next generation of leadership to position the firm for continued growth for decades to come. Given the extraordinary strength and depth of Apollo's management team and consistent with best-in-class governance practices, I have advised the Apollo Board that I will retire as CEO on or before my 70th birthday in July and remain as Chairman. In that role, I look forward to focusing on strategic planning, growth initiatives, investment opportunities and supporting Apollo, which has been my life's work, in whatever ways I can. With Marc returning to Apollo full time, it is an appropriate time to begin a transition. Marc started his Apollo career in our private equity business and for the past decade plus has made significant contributions to the firm through the development of our yield and insurance platforms. With this holistic view and experience, Marc is well equipped to continue driving innovation across our opportunistic and yield businesses to deliver industry

leading results.”

Marc Rowan said, “Our organization primarily exists to serve retirees, either directly through the insurance businesses of our clients Athene and Athora, or indirectly through the pension funds, sovereign wealth funds, and employee funds that make up the majority of our institutional client base. The need for return, both in terms of yield from our credit businesses and more opportunistic return from our private equity and related businesses, is accelerating due to both changing demographics and the financial environment. Last quarter alone our AUM grew by \$22 billion to a total of \$455 billion. Our business has been, and will continue to be successful, because we have maintained consistent and disciplined focus on meeting our client’s needs. I expect our business to continue to expand rapidly as we are beneficiaries of these powerful trends.”

Josh Harris said, “I am pleased that Marc will return and fully support him as CEO of Apollo. Marc brought me into Apollo 30 years ago. For the past ten years he has overseen the growth of our insurance businesses, which have grown substantially, while I have modernized and moved the firm from a private organization to a well-run public company with a deep management bench, a global limited partner network and a majority of independent shareholders. While Marc will move into the CEO role, I will focus on expanding our global search for investor returns, which is at the core of our success, and evolving our integrated platform. I will continue to work with our global limited partner and investor base as a Co-Founder and member of the Board and Executive Committee.”

### **Corporate Governance Proposals**

In addition to the changes detailed above, Mr. Black has requested that the Board and the Executive Committee evaluate and consider (subject to required corporate and regulatory approvals) meaningful new measures to further enhance Apollo’s corporate governance, many of which will be differentiating in the alternative industry, including:

- Moving to a “one share, one vote” structure to ensure that the voting rights of our shareholders align with their economic interests by eliminating the Class C voting stock, as well as examining a move to a single class of common stock. These proposals build on the firm’s progress to-date to expand our shareholder base, including converting from a publicly traded partnership to a corporation in September of 2019 and securing inclusion on the Russell 1000 index in June of 2020. The enhancements could qualify Apollo for listing on the S&P Global indices.
- Undertaking a review of governance arrangements to empower the full Board to oversee all aspects of the company. The board currently delegates much of the responsibility and legal authority for supervising the business to the Executive Committee.

Mr. Black said, “I am thrilled to announce our Board expansion and welcome Pamela Joyner and Siddhartha Mukherjee as independent directors. Their extensive leadership and expertise in their respective fields will bring valuable insights and more diverse perspectives to the Board as we help Apollo execute on its vision. In addition to our board expansion, the proposed governance changes reflect progressive public company practices, would simplify our voting structure, and would align Apollo with best-in-class industry standards to enable a much broader set of shareholders to participate in the exceptional growth and performance

for which Apollo is known.”

The measures taken and proposed build on long-term institutionalization and modernization efforts underway at Apollo, including an increased focus on reputational risk management and corporate citizenship. To further strengthen these efforts, Apollo retained a leading law firm, WilmerHale, to review its reputational risk management processes and provide recommendations for enhancement. The review noted significant resources and processes have been put in place to address and mitigate risks including, in the past three years, establishing a cross-functional reputational risk committee; creating a dedicated corporate communications department and an internal government relations function; hiring a dedicated head of enterprise risk management and a global head of citizenship and enhancing their community engagement strategy and; developing a comprehensive diversity and inclusion strategy; and devoting even more resources to the firm’s longstanding and industry-leading environmental, social, and governance (“ESG”) program. Apollo intends to adopt all of WilmerHale’s recommendations for further improvement. A copy of the WilmerHale report can be found [here](#).

### **About Apollo**

Apollo is a leading global alternative investment manager with offices in New York, Los Angeles, San Diego, Houston, Bethesda, London, Frankfurt, Madrid, Luxembourg, Mumbai, Delhi, Singapore, Hong Kong, Shanghai and Tokyo. Apollo had assets under management of approximately \$433 billion as of September 30, 2020 in credit, private equity and real assets funds invested across a core group of nine industries where Apollo has considerable knowledge and resources. For more information about Apollo, please visit [www.apollo.com](http://www.apollo.com).

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