

# TPG Capital Advisors, LLC

301 Commerce Street, Suite 3300  
Fort Worth, Texas 76102

(817) 871-4000

[www.tpg.com](http://www.tpg.com)

Part 2A of Form ADV: Firm Brochure  
March 28, 2024

**This brochure provides information about the qualifications and business practices of TPG Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (817) 871-4000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about TPG Capital Advisors, LLC also is available on the Securities and Exchange Commission's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**An investment adviser's registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.**

## **ITEM 2 – MATERIAL CHANGES**

This brochure, dated March 28, 2024, updates our brochure dated December 1, 2023 to reflect routine annual updates, as well as certain other updates, including, but not limited to the following:

- **Item 5** has been updated to reflect updated disclosure regarding Fund expenses, fees for services provided to portfolio companies, and Y Analytics, and new disclosure related to project service fees;
- **Item 8** has been updated to reflect updated investment strategies and new and updated risk factors related to such investment strategies;
- **Item 11** has been updated to reflect new or updated disclosure regarding potential and/or actual conflicts of interest faced by us related to allocating investment opportunities, allocating co-investment opportunities and co-investment warehousing, allocating other fees and expenses, a Capital Advisors Vehicle investing alongside other Capital Advisors Vehicles and/or Related Funds (as defined herein), Capital Advisors Vehicles and Related Funds investing in different levels of the capital structure of the same portfolio company, possessing material non-public information, information barriers, engaging in Fund-level borrowing, investing through joint ventures and engaging in strategic transactions; and
- **Item 12** has been updated to reflect new or updated disclosure regarding potential and/or actual conflicts of interest faced by us related to continuation transactions.

### **ITEM 3 – TABLE OF CONTENTS**

	<b>Page</b>
Cover Page	
ITEM 2 – MATERIAL CHANGES.....	i
ITEM 3 – TABLE OF CONTENTS.....	ii
ITEM 4 – ADVISORY BUSINESS.....	1
ITEM 5 – FEES AND COMPENSATION .....	3
ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....	23
ITEM 7 – TYPES OF CLIENTS.....	24
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	24
ITEM 9 – DISCIPLINARY INFORMATION .....	42
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....	42
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....	43
ITEM 12 – BROKERAGE PRACTICES.....	120
ITEM 13 – REVIEW OF ACCOUNTS.....	124
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION .....	124
ITEM 15 – CUSTODY.....	124
ITEM 16 – INVESTMENT DISCRETION .....	124
ITEM 17 – VOTING CLIENT SECURITIES.....	125
ITEM 18 – FINANCIAL INFORMATION .....	125

#### **ITEM 4 – ADVISORY BUSINESS**

For purposes of this brochure, “we,” “us” and “our” refer to TPG Capital Advisors, LLC, together (where the context permits) with our subsidiaries that provide investment advisory services and our affiliates that serve as general partners of the Capital Advisors Vehicles (as defined below).

*Advisory Clients.* As set forth below, our only advisory clients are the Funds and certain fee-paying Co-Investment Vehicles (each as defined below), which we refer to collectively as the “Capital Advisors Vehicles.” In particular,

- We provide investment advisory services to the following, which we refer to collectively as the “Funds”:
  - pooled investment vehicles that are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”), and
  - certain individual investors through separately managed account arrangements.

The Funds’ investors are primarily “qualified purchasers,” as defined in the Investment Company Act, and may include, among others, pension and profit sharing plans, trusts, estates, high net worth individuals, banks, thrift institutions, charitable organizations, corporations, limited partnerships and limited liability companies.

We also serve as the sponsor of entities that act as feeder vehicles into certain Funds. Additionally, in order to meet tax, regulatory or other requirements, certain investors invest in substantially the same portfolio as the applicable Funds through specially formed investment vehicles, which we also advise.

- From time to time, we also form capital around particular or multiple investment strategies or themes, or establish, on a transaction-by-transaction basis, investment vehicles, separately managed accounts or other accounts or arrangements through which certain persons generally invest alongside one or more Funds (each, a “Co-Investment Vehicle”). When a Co-Investment Vehicle is established for a particular transaction, it generally will invest in the transaction on the same terms as the applicable Fund that also is invested in such transaction. In certain cases, Co-Investment Vehicles may also pursue investments that are not pursued by a Fund.

*Organization.* TPG Capital Advisors, LLC was formed as a Delaware limited liability company in 2010 and is part of a private investment firm originally founded in 1992, which we refer to, together with its affiliates, including us, as “TPG.” In addition, TPG Capital Advisors, LLC is an indirect subsidiary of TPG Inc. (the “Public Company”), whose Class A common stock is listed on Nasdaq under the symbol “TPG.”

The Public Company qualifies as a “controlled company” within the meaning of Nasdaq’s corporate governance standards. Each share of the Public Company’s Class A common stock generally entitles its holder to one vote, and each share of Class B common stock entitles its holder

to ten votes. TPG Group Holdings (SBS), L.P., Alabama Investments (Parallel), LP, Alabama Investments (Parallel) Founder A, LP and Alabama Investments (Parallel) Founder G, LP collectively hold a majority of the Public Company's outstanding voting power by virtue of their ownership of Class B common stock, which voting power is exercised by the Control Group as the members of TPG GP A, LLC, the ultimate general partner of these vehicles. The "Control Group" currently consists of David Bonderman, James Coulter and Jon Winkelried. Additional information about the Public Company is available in its current public filings with the SEC. Unless specifically stated otherwise, references in this Brochure to "we," "us" and "our" do not include the Public Company. The term "investors" as used herein does not reference stockholders of the Public Company.

*Nature of Advisory Services.* As an investment adviser, we identify investment opportunities and participate in the acquisition, management, monitoring and disposition of investments for each Capital Advisors Vehicle. We primarily provide investment advisory services related to private equity investments in various industries, including leveraged acquisitions and recapitalizations, turnarounds, traditional buyouts and investments in growth companies. Such private equity investments take the form of privately negotiated investment instruments, including unregistered equity securities of both U.S. and non-U.S. issuers. Although the primary focus of the Capital Advisors Vehicles is private equity investments, we also from time to time offer advice on investments in, among other things (in each case to the extent consistent with the applicable Capital Advisors Vehicle's investment objectives and strategies (please see "*Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss*" below)),

- structured equity and other products;
- public equities;
- energy assets;
- currency hedging transactions;
- swap transactions (including total rate of return swaps and credit default swaps);
- derivative instruments;
- short sales;
- real estate;
- securities lending arrangements;
- repurchase agreements; and
- bank and other loans, bonds, credit-based securities and claims and other financings and debt originations.

*Advisory Services and Related Agreements.* We generally provide investment advisory services to each Capital Advisors Vehicle pursuant to a separate investment advisory agreement, each of which we refer to as an “Advisory Services Agreement.” Each Capital Advisors Vehicle’s Advisory Services Agreement sets forth the terms of the investment advisory services we provide to the Capital Advisors Vehicle, including any specific investment guidelines or restrictions. Investment guidelines for each Capital Advisors Vehicle, if any, are generally established in its organizational or offering documents, the Advisory Services Agreement and/or side letter agreements negotiated with its investors. We provide investment advice directly to the Capital Advisors Vehicles, and not individually to the investors in the Capital Advisors Vehicles.

As described more fully in Item 11 below, we and our related entities routinely enter into side letter agreements with certain investors in the Capital Advisors Vehicles providing such investors with customized terms, which often results in preferential treatment.

*Amount of Client Assets.* As of December 31, 2023, we managed on a discretionary basis a total of approximately \$112,205,600,000 of client assets.

## **ITEM 5 – FEES AND COMPENSATION**

*Fees Generally.* We generally charge asset-based investment advisory fees (which in other contexts we commonly refer to as “management fees”) to the Capital Advisors Vehicles. Advisory fees paid by a Capital Advisors Vehicle are indirectly borne by its investors. Such investment advisory fees are deducted from Capital Advisors Vehicle assets and generally payable quarterly or semi-annually in advance, depending upon the Capital Advisors Vehicle. The amount of any investment advisory fee is prorated for periods of less than a full billing cycle at the beginning or end of our provision of investment advisory services, and any prepaid amount in excess of the prorated fee will be returned upon termination of our investment advisory services. To the extent the base upon which we charge advisory fees changes during the course of the relevant period (e.g., due to an increase/reduction in actively invested capital), we generally are not required to make any adjustment, true-up or refund. As a result, we have an incentive to time the termination of the applicable Capital Advisors Vehicle’s commitment period or the disposal of a particular investment in a manner that increases the aggregate amount of advisory fees we receive. Our Advisory Services Agreements generally impose some restrictions on a Capital Advisors Vehicle’s ability to terminate the agreement. The specific restrictions vary depending on the nature of the Capital Advisors Vehicle.

We establish and negotiate with investors in the applicable Capital Advisors Vehicle the precise amount of, and the manner and calculation of, the advisory fees. Such Capital Advisors Vehicle’s Advisory Services Agreement, organizational documents, offering documents and/or other documentation, which we refer to collectively as, together with any applicable side letters, the “Governing Documents,” set forth the precise amount of, and the manner and calculation of, the advisory fees.

Certain investors in a Fund, including, for example, a Fund’s general partner, its affiliates and certain “friends of the firm” (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and

other estate planning vehicles), pay reduced or no advisory fees at our discretion (though these investors generally pay their pro rata share of certain Fund expenses).

Please see Item 11 for a description of the side letter agreements we and our Related Advisers (as defined below) enter into with certain investors in Capital Advisors Vehicles that provide such investors with customized terms, including with respect to reduced advisory fees.

Please see Item 6 for more information on incentive compensation.

*Fund Expenses.* In addition to the investment advisory fees described above,

- certain Funds reimburse us or our affiliates for certain organizational expenses, generally up to a specified cap, that are incurred in connection with the formation of the Funds and the offering of interests in them to potential investors, including
  - fees and expenses of our counsel, including for preparing offering materials and preparing and negotiating the Governing Documents and other documents such as engagement letters for placement agents and all other documents attendant to a Fund's formation and organization;
  - travel and related expenses incurred in connection with meetings with prospective investors regarding possible investments in the Funds;
  - printing, legal, capital raising, accounting, regulatory compliance (including the initial notifications, filings and initial and/or ongoing compliance contemplated by the European Union's Directive 2011/61/EU on Alternative Investment Fund Managers (the "AIFM Directive"), the Swiss Collective Investment Schemes Act dated June 23, 2006 (as amended) (the "CISA"), the Swiss Financial Services Act 2018 (the "FINSA"), the Sustainable Finance Disclosure Regulation, the Taxonomy Regulation (as defined in Item 8) or any similar law, rule or regulation) and any administrative or other filings (including the preparation, distribution or filing of any filings or reports contemplated by the AIFM Directive, the CISA and/or the FINSA or any similar law, rule or regulation); and
  - other expenses related to a Fund's formation;
- each Fund, and hence all of its investors, also generally bears all of the expenses incurred in relation to its activities, operations, meetings and eventual liquidation. These include, to the extent provided in the particular Fund's Governing Documents, most expenses related to a Fund (and its AIVs, special purpose vehicles and subsidiaries), such as expenses, costs and fees
  - incurred in connection with discovering, investigating, pursuing, negotiating and structuring of investment opportunities (whether or not the investment is consummated) and making investments, including, for example
    - fees, costs and expenses associated with the organization, activities, operations, administration, meetings, restructuring or winding-up,

dissolution and liquidation of any special purpose vehicles or alternative investment vehicles (“AIVs”);

- fees, costs and expenses attributable to qualifying or preserving the ability for a Fund and any AIVs, as applicable, to qualify, as a “venture capital operating company” and to maintain such qualification under the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”);
  - legal fees for drafting and negotiating agreements related to the making, financing, refinancing, holding, developing, operating, managing, monitoring, restructuring or disposing of an investment, conducting due diligence (including assessments of any project and site visits and/or market studies) and securing regulatory approvals;
  - fees of accountants that provide due diligence and other services, including analyses with respect to accounting or performance reporting standards such as International Financial Reporting Standards (IFRS) and Global Investment Performance Standards (GIPS);
  - fees of tax specialists that advise on the structuring of an investment;
  - fees of investment banks and related bank charges, placement, syndication and solicitation fees, arranger fees, sales commissions, investment, execution, closing and administrative fees, costs and expenses;
  - fees of advisors, consultants and other third-party service providers that advise, among other things, on various aspects of sourcing, investigating and pursuing possible investments, including industry and subject-matter experts;
  - fees and expenses relating to potential but not consummated investments and co-investments, including costs that could have been allocated to prospective co-investors (including affiliated co-investors) had the deal and/or co-investment been consummated;
  - startup costs relating to potential platform companies that a Fund ultimately does not pursue; and
  - fees and expenses related to the travel of our employees, including airfare, hotel and meal expenses;
- related to general and/or background investigation of industries that may be suitable for investment by a Fund;
  - incurred in holding, developing, operating, managing, financing, refinancing, monitoring, restructuring and disposing of investments, which can include amounts



incurred in pursuing secondary liquidity transactions on behalf of a Fund or its assets, whether or not consummated;

- related to a Fund's and any special purpose vehicle's borrowing, such as interest, commitment fees, upfront fees, legal fees, hedging fees, structuring fees and underwriting fees, fees in connection with margin loans and total return swaps and other fees and expenses;
- of compensating co-venturers;
- related to conferences and other professional development activities for portfolio company executives (including those we organize);
- related to business development activities, including meals and events;
- of
  - custodians,
  - depositories,
  - advisors (including Senior Advisors (as defined below)),
  - consultants or recruiters (including, but not limited to, in connection with industry research, recruiting portfolio company management and recruiting senior advisors),
  - economists,
  - sourcing persons,
  - brokers,
  - local paying agents,
  - Swiss representative or Swiss ombudsman (if applicable),
  - intermediaries,
  - administrators,
  - distributors, alternative investment fund managers,
  - valuation firms,
  - lawyers and legal professionals,
  - tax professionals,

- accountants,
- auditors,
- investment bankers,
- lenders,
- expert networks, and
- other professionals for services rendered to a Fund

(in each case, regardless of whether TPG employees have provided similar services to the Fund or Related Funds (as defined below));

- incurred in connection with assessing the societal and/or climate impact of investments made by certain Capital Advisors Vehicles (including fees of affiliates (including of Y Analytics (a public benefit company currently controlled by TPG) and third-party impact consultants);
- relating to advisory committee meetings and activities or meetings and activities of a similar body and, for certain Funds, meetings and activities of any body sponsored by us that provides an opportunity for participants (which may include investors and corporate leaders) to share insights and best practices and/or provide guidance to a general partner (each an “Advisory Panel”), including
  - venue, food and beverage, and speaker expenses,
  - fees, costs and expenses associated with any legal counsel or other third-party service providers or advisors a Fund’s advisory committee and/or Advisory Panel retains,
  - travel and accommodation of a Fund’s advisory committee or similar body members and members of an Advisory Panel,
  - expenses associated with Y Analytics’ support of an Advisory Panel, including the preparation of sector reports and other materials;
- relating to other meetings of Fund investors in connection with the Fund, including venue, food and beverage, speaker and travel expenses, and fees, costs and expenses associated with any legal counsel or other third-party service providers or advisors;
- relating to the travel and accommodations of our employees in connection with a Fund’s advisory committee (or similar body) or investor meetings and other Fund-related travel;

- for insurance coverage, including general partner liability/director and officer insurance and crime/fidelity insurance; and cybersecurity insurance (including fees, costs and expenses related to any retention or deductibles and broker costs and commissions) and any consultants or other advisors utilized in the procurement, review, maintenance and analysis of insurance (see “*Item 11 – Allocation of Other Fees and Expenses*”);
- relating to third-party joint venture partners, operating partners and other similar persons or entities;
- sales, leasing and brokerage commissions and any other investment costs actually incurred in connection with actual investments;
- information technology system expenses, including the costs of acquiring, developing, implementing and maintaining computer software (including, but not limited to, specialty and custom software) and hardware and other technological systems for the benefit of a Capital Advisors Vehicle (including third-party diligence software and service providers);
- of any administrator and valuation experts (including in relation to calling capital from and making distributions to investors, the administration of assets, financial planning and treasury activities);
- relating to administrative and accounting services (including investor information databases) and the creation of financial and other reports (including quarterly and annual reports) and other responses to reporting requests from investors, including the costs incurred to audit and provide access (whether through the Fund’s website or other portal) to such reports and any other related operational, secretarial or postage expenses, expenses relating to protecting the confidential or non-public nature of any information or data, and expenses related to consummated or unconsummated investor transfers that are not otherwise borne by the transferring (or potentially transferring) parties;
- relating to Foreign Office Services, as described below;
- relating to project services, as described below;
- relating to compliance with tax or regulatory requirements applicable to a Fund or AIVs and/or relating to their operation (including the preparation and delivery of Fund financial statements, tax returns, Schedule K-1s or equivalent forms, registration as a “private fund” with the Cayman Islands Monetary Authority under the Cayman Islands Private Funds Act (As Revised), engagement of alternative investment fund managers, depositaries, administrators and other service providers in connection with our compliance with obligations arising from the AIFM Directive, CISA or FINSA with respect to a Fund or AIVs, engagement of local representatives, paying agents, depositaries, attorneys, paying agents, Swiss representative, Swiss ombudsman, the preparation and submission of regulatory and/or marketing filings of a Fund and its affiliates (including Form PF, Form

SHLA and other regulatory filings relating to a Fund’s activities including those with the U.S. Commodity Futures Trading Commission (“CFTC”) and the SEC) and our compliance with obligations arising from the AIFM Directive, CISA or FINSA with respect to a Fund or AIVs, European Union Sustainable Finance Disclosure Regulation (and any other applicable legislation or regulations relating to the European Commission’s Action Plan on Financing Sustainable Growth), the revised Markets in Financial Instruments Directive or any law, rule, regulation, policy, directive or special measure (including in relation to know-your-customer, anti-money laundering, sanctions or anti-terrorism considerations (including the engagement of administrators and/or similar persons to provide services in connection therewith))));

- relating to the implementation of, and compliance with, legal, regulatory, environmental, social, governance (“ESG”) or other similar standards and commitments applicable to a Fund, its investments or potential investments, including diligence thereof and any requirements relating to the foregoing set forth in one or more side letters or investor policies (“Portfolio Compliance”);
- relating to the maintenance of TPG’s Luxembourg and Singapore offices (including office rent and salaries and other personnel expenses), and the establishment and maintenance of other non-U.S. offices or arrangements, where professionals perform certain local services in connection with the management of non-U.S. investments, including structuring, negotiation, execution, administration and monitoring activities;
- for litigation or arbitration relating to the activities or operations of a Fund (including the costs of discovery related thereto) and any related judgments or settlements (including any indemnification paid pursuant to the Governing Documents, any extraordinary expenses or liabilities relating to the affairs of a Fund, and any similar obligations);
- relating to any audit, investigation, regulatory or governmental inquiry or public relations undertaking (including lobbying);
- relating to the representation of the Fund or its investors with respect to tax compliance or controversy matters (including fees, costs and other expenses incurred by the “partnership representative” and “designated individual” thereof, in each case acting in such capacity) or in connection with any tax audit, investigation, settlement or review of a Fund and expenses incurred in connection with tax preparation and filings);
- relating to compliance (or monitoring compliance) with the Governing Documents (including “most favored nation” provisions) and any related document, and preparation of related materials including the preparation and distribution of side letters, definitive documents and other materials to investors as “closing sets” or other post-closing distributions, and the preparation of internal manuals,

summaries, guides and other documents to facilitate our compliance with and organization of our Fund-related documents;

- consisting of taxes, fees or other governmental charges levied against a Fund or its subsidiaries or their respective income or assets or in connection with their respective businesses or operations (other than taxes attributed to one or more particular investors in accordance with the Governing Documents);
- relating to exploring, evaluating, structuring, negotiating and/or consummating any potential liquidity transaction (including any Continuation Vehicles (as defined in Item 12) and/or retained interest transaction), including any costs related to offering or otherwise making available any of the foregoing to one or more investors (including any costs related to initial set up, ongoing subscriptions, compliance, tax analysis and/or maintenance of secondary matching programs and/or qualified matching services);
- relating to any fees, costs and expenses related to potential, unconsummated or actual transactions that, if consummated, would require the consent of an advisory committee (due to conflict or otherwise), even if such fees, costs and expenses are incurred prior to receiving such consent or if such consent is never sought or received by an advisory committee;
- relating to any costs and expenses incurred by the general partner of a Fund, us or our respective personnel, or personnel of portfolio companies with respect to conferences, training programs and similar meetings;
- relating to any activities with regards to protecting the confidential or non-public nature of any information or data (including any costs incurred in connection with the U.S. Freedom of Information Act, or any similar statutory or regulatory disclosure requirement of any state or other jurisdiction, the California Consumer Privacy Act or any applicable legislation or regulation relating to the protection of personal data in force from time to time in the EU, the EEA or the UK, including the Data Protection Directive (95/46/EC), the UK Data Protection Act 2018, the Privacy and Electronic Communications (EC Directive) Regulations 2003, the Data Protection (Processing of Sensitive Personal Data) Order 2000, the General Data Protection Regulation (EU 2016/679), any other legislation that implements any other then current or future legal act of the European Union concerning the protection and processing of personal data, any national implementing or successor legislation and any amendment or re-enactment of the foregoing);
- relating to winding up and liquidating or dissolution of the Fund, including the formation and administration of a liquidating trust;
- relating to any amendments, restatements or other modifications to, and compliance with (or monitoring compliance with) the Governing Documents and any other related documents of a Fund, including the solicitation of any consent, approval,

waiver or similar acknowledgement from investors and/or a Fund's advisory committee and preparation of related materials;

- any other fees, costs, expenses, liabilities or obligations approved by an advisory committee;
  - for clearing and settlement charges;
  - all third party fees, costs and other expenses related to any of the foregoing items described above;
  - not specifically identified in the Governing Documents as being borne by us; and
- certain Funds reimburse us or our affiliates for certain expenses, including, among other things, expenses related to in-house services (as described below) and employees or consultants providing operational support, regulatory or legal support, specialized operations and consulting services and similar or related services (as described below – see “*Item 11 – Providers of Specialized Operational Services to Portfolio Companies*”) to the Capital Advisors Vehicles or their portfolio companies. These expense reimbursements are generally disclosed to investors.

The Funds' Governing Documents generally permit the Funds, subject to certain limitations, to borrow to pay the expenses described above.

Expenses of a Fund, including any parallel investment entities, and any side-by-side separate accounts or lockstep vehicles, will generally be allocated among all such entities on a pro rata basis based on capital commitments, regardless of the specific nature of the expense. We may, but are not required to, specially allocate expenses, as we determine in good faith to be fair and equitable under the circumstances. From time to time we incur costs and expenses for a particular entity and are required to make determinations as to whether such costs and expenses are to be specially allocated and borne by only a single entity or whether such costs and expenses should be allocated pro rata among a Fund, including any parallel investment entities and side-by-side separate accounts or lockstep vehicles. We often determine not to make such special allocations, including due to administrative convenience, to keep unused capital commitments aligned, and/or for other reasons we determine in our sole discretion, even if the expenses relate only to particular entity(s) and/or investor(s) therein. This will result in any one entity bearing a portion of certain expenses attributable to another entity, even if such expenses are not directly connected to the activities and operations of all entities bearing the expense, including expenses incurred in connection with either a Fund's or such other vehicle's legal, tax and regulatory compliance with any U.S. or non-U.S. law or regulation (including, without limitation, reports, disclosures, registration and other filings and notifications prepared in accordance with the laws of any such jurisdiction). To the extent that such expenses are allocated pro rata based on capital commitments, the entity with the greatest capital commitments will bear a greater portion of these expenses.

We incur some expenses on an aggregate basis for the benefit of multiple Capital Advisors Vehicles, Related Funds and/or TPG. For example, we purchase, on a firm-wide basis, insurance that covers TPG, the Capital Advisors Vehicles and Related Funds. We allocate the aggregate

costs of these items across the applicable Capital Advisors Vehicles, Related Funds and TPG in a manner we determine to be reasonable and fair in our sole discretion. Generally, the allocation method across multiple Capital Advisors Vehicles or Related Funds is pro rata in accordance with assets under management, but we vary this approach in particular instances if we believe another method is more equitable. For instance, when allocating amounts (including firm-wide insurance) to TPG, TPG's allocable portion may be based on some other metric and may be a fixed percentage that we determine to be equitable. See "*Item 11 – Allocation of Other Fees and Expenses*" for more information.

In addition, although some expenses are incurred on behalf of a Capital Advisors Vehicle, they are likely to benefit other Capital Advisors Vehicles, Related Funds or TPG more broadly. For example, information and data TPG obtains in connection with a Capital Advisors Vehicle's research, due diligence and investment activities will be valuable to other Capital Advisors Vehicles, Related Funds and TPG's other businesses. In addition, tools and resources developed at a Capital Advisors Vehicle's expense, such as Y Analytics' research and impact assessment tools, will be the intellectual property of TPG or Y Analytics and not the Capital Advisors Vehicle. If TPG licenses or sells such intellectual property to third parties in the future, the relevant Capital Advisors Vehicle will not benefit from such license or sale.

With respect to all of the services described above, there can be no assurance that no other third-party service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

For information on brokerage practices, see Item 12 below.

*Co-Investment Vehicles.* In certain instances we will evaluate investment opportunities that, if consummated, we would likely offer in part to a Co-Investment Vehicle or prospective co-investors, including affiliated co-investors. Investors in a Co-Investment Vehicle typically bear all expenses related to the vehicle's formation and operation similar to those described above for a Fund, and the vehicle generally bears its pro rata portion of expenses incurred in the making of an investment. However, if such a potential investment is not consummated, the full amount of any expenses relating to the potential but not consummated investment and co-investment (including reverse termination fees, extraordinary expenses such as litigation costs and judgments and other expenses) will typically be borne entirely by the Fund or Funds we select as proposed investors for such investment, rather than the Co-Investment Vehicle or any such prospective co-investors. Alternatively, such co-investors could independently pursue such transaction, without reimbursing a Fund for its broken deal costs. See "*Item 11 – Allocation of Fees and Expenses for Broken Deals*" for more information.

With respect to Co-Investment Vehicles, any fees we receive, and expenses borne by the Co-Investment Vehicle, are generally negotiated on a vehicle-by-vehicle basis, but sometimes include asset-based fees and expense reimbursements, reimbursements for Specialized Operational Services (as defined below see "*Item 11 – Providers of Specialized Operational Services to Portfolio Companies*") or non-advisory administrative fees similar to those described above for the Funds.

*Fees for Services Provided to Portfolio Companies.* Typically, certain net fees we receive in respect of our management of the Capital Advisors Vehicles, which we refer to as “portfolio fees,” allocable to fee-paying investors, will offset the management fee due from such investors. For certain Capital Advisors Vehicles, there is no management fee offset applicable to investors who do not pay management fees. Accordingly, we retain amounts of portfolio fees allocable to fee-free investors without further offsetting the management fee of fee-paying investors.

Portfolio fees include the cash and other consideration:

- received by any of the following (except Senior Advisors, those providing Specialized Operational Services, those providing project services, those receiving underwriting, private placement or arranging fees, discounts or commissions or those providing Foreign Office Services):
  - us;
  - the Funds’ general partners;
  - any of their respective employees or affiliates (other than a Capital Advisors Vehicle, any parallel investment entity and any side-by-side separate account or lockstep vehicle); or
  - any of a Fund’s general partner’s partners;
- from or in respect of a Capital Advisors Vehicle’s portion of an investment as:
  - acquisition and disposition fees;
  - directors’ fees;
  - financial consulting fees;
  - advisory fees;
  - organization, financing, divestment and topping fees;
  - monitoring fees (including accelerated monitoring fees in certain circumstances as described below);
  - any other fees earned on or relating to the making, disposition or management of investments;
  - commitment fees;
  - origination fees; and
  - break-up fees received in connection with the termination, cancellation or abandonment of a potential investment.



For purposes of calculating the amount that offsets the management fees, portfolio fees are net of any reimbursement for Specialized Operational Services from portfolio fees. In addition, amounts constituting portfolio fees may be used in our sole discretion to pay or reimburse out-of-pocket expenses related to the investment giving rise to such amounts instead of applying such amounts as a management fee offset.

Generally, the Governing Documents of a Capital Advisors Vehicle stipulate that only those individuals who are employees are our affiliates, and therefore we exclude from portfolio fees the fees non-employees earn from portfolio companies. Whether an individual is an employee generally turns on whether certain indicia of employment are present. This determination is highly fact dependent and involves complex judgments within varying legal and regulatory frameworks. As a general matter, we do not expect to treat our Senior Advisors or other advisors, consultants or strategic business partners as employees or otherwise consider them our affiliates. Some of these individuals are our former employees.

Although these portfolio fees are in addition to the advisory fees, we will in some circumstances be obligated to reduce the amount of advisory fees paid by the applicable Capital Advisors Vehicle by an amount equal to all or a portion of such portfolio fees. The specific amount and nature of this reduction varies among Capital Advisors Vehicles and is generally set forth in the Governing Documents of the applicable Capital Advisors Vehicle. Furthermore, a Capital Advisors Vehicle will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee allocable to another entity, including, if applicable, another Capital Advisors Vehicle, Related Fund or other co-investor. As some Capital Advisors Vehicles do not pay advisory fees (e.g., certain Co-Investment Vehicles) or do not have offset provisions requiring the reduction of advisory fees, we will retain portfolio fees allocable to these Capital Advisors Vehicles without reduction.

Certain other fees and expense reimbursements are generally not considered portfolio fees under the terms of the applicable Governing Documents, and are not subject to the reduction arrangements described above. These amounts include but are not limited to:

- reimbursement payments to us for Specialized Operational Services (see “*Item 11 – Providers of Specialized Operational Services to Portfolio Companies*”);
- any fees paid in connection with project services provided to the Fund or a portfolio investment (see “*Item 5—Project Service Fees*”);
- reimbursement payments to us for in-house services or Foreign Office Services provided by us or an affiliate (as described below) (see “*Item 5—Fund Expenses*”);
- any amounts paid by a platform company to its management team (as described below – see “*Item 11—Platform Companies*”).
- any profits interests or other compensation or amounts payable by a portfolio company or a Capital Advisors Vehicle to an affiliate of ours (including former Senior Advisors) pursuant to an arrangement that was entered into prior to such person becoming an affiliate of TPG, regardless of when the interests, compensation or amounts crystallize or vest, and similarly, any profits interests or other compensation or amounts payable by a portfolio company or a Capital Advisors Vehicle to former Capital Advisors Personnel (as defined

below) or other persons who are or become unaffiliated with us (even if any such fee is earned during their tenure with us);

- any amounts paid by a former portfolio company, such as directors' fees a former portfolio company pays one of our professionals who remains on the company's board of directors following the Capital Advisors Vehicle's disposition of its investment in the company;
- any underwriting, private placement, arranging or similar broker-dealer fees, discounts or commissions paid by portfolio companies to TPG Capital BD, LLC ("TPG BD"), our broker-dealer affiliate (or other affiliated broker-dealers) in connection with securities offerings or loan syndications (as described below – see "*Item 5— Compensation Received by TPG Capital BD, LLC and Related Entities for Capital Markets Activity*");
- the portion of any fee allocable to a co-investor, Capital Advisors Vehicle or Related Fund (even if it is received by the Capital Advisors Vehicle or Related Fund, us, the General Partner or any of their affiliates), except that for certain Capital Advisors Vehicles a certain percentage of any one-time, up-front acquisition fees allocable to a co-investment vehicle managed by us that (a) is established in connection with any co-investment offered by certain Capital Advisors Vehicles to their investors and (b) does not charge management fees or carried interest to such investors will be considered "portfolio fees" and will offset the management fees of certain Capital Advisors Vehicles on a pro rata basis in accordance with their relative portions of the applicable investment opportunity;
- the portion of any fee allocable to a non-management fee paying investor in a Capital Advisors Vehicle, including the general partner, its affiliates and any Capital Advisors Personnel (even if it is received by a Capital Advisors Vehicle, us, the general partner or any of their affiliates);
- any fee paid to a co-underwriter or co-sponsor of an investment;
- carried interest, management fees or other fees received by an affiliate of the general partner from other vehicles or other parties (other than a Capital Advisors Vehicle) who hold interests in portfolio companies;
- any amounts paid by our portfolio companies as reimbursement for any out-of-pocket costs and expenses we incur in connection with a transaction, including travel expenses, whether or not these expenses would be payable by a Capital Advisors Vehicle if not for such reimbursement;
- a portion of a transaction or other fee received from an actual or prospective portfolio company that we in our sole discretion agree to pay to a third party, such as a consultant, advisor, Senior Advisor, finder, broker and/or investment bank (as the third-party fee is not a fee that we are entitled to retain);
- any amounts paid by a Capital Advisors Vehicle or by portfolio companies to persons designated in the Governing Documents as unaffiliated with us such as Y Analytics;
- any fees, compensation or benefit received by TPG that are not related to the making, management or disposition of investments on behalf of a Capital Advisors Vehicle; and

- any amounts a Capital Advisors Vehicle's advisory committee consents not to treat as portfolio fees.

Receiving amounts that do not offset the advisory fees gives us an incentive to maximize such amounts and to cause Capital Advisors Vehicles to make investments that could generate such amounts even if we otherwise would not have caused Capital Advisors Vehicles to make such investments in their absence.

Governing Documents generally allow us to receive portfolio fees from or in respect of a Capital Advisors Vehicle's portfolio companies, and we expect to receive portfolio fees over the life of a Capital Advisors Vehicle. The amount, structure, timing and other terms of any portfolio fee will vary depending on the terms of our agreements with each portfolio company. Some portfolio fees are payable upon closing of a particular transaction or other events, whereas other portfolio fees are payable in annual installments, with the possibility that those annual payments accelerate upon specified events. For example, we from time to time charge a portfolio company annual monitoring fees under a management services agreement. The monitoring fees can be a fixed annual amount or a floating amount, sometimes based on a percentage of the company's earnings. There can be no assurance that the amount of fees charged will be proportional to the amount of hours or value of work performed on behalf of the portfolio company. A management services agreement typically has a stated term of ten years, though we expect a management services agreement to terminate when the Capital Advisors Vehicle ceases to hold a material interest in the relevant portfolio company. In certain circumstances (such as the occurrence of an initial public offering or a sale where the Capital Advisors Vehicle maintains a material interest), the termination of the management services agreement may result in the acceleration of the payment of all or a portion of the monitoring fees or may result in the payment of other exit, performance-based or termination fees. The fees paid by portfolio companies in these situations may be significant. Portfolio fees are often received from operating companies, but we are also authorized to receive portfolio fees from holding companies or special purpose vehicles we establish to make investments, including those over which we exercise complete discretion. We also may receive portfolio fees in kind, including equity, profits interests, grants or other similar interests in a Capital Advisors Vehicle's portfolio company, which could be significant, and in hindsight, these amounts may ultimately be worth significantly more than if we had received cash. In general, we typically do not negotiate portfolio fees with portfolio companies on an arm's-length basis. Portfolio fees could adversely affect a portfolio company's financial performance.

The Governing Documents provide for management fees to be paid by the Capital Advisors Vehicles to us, for allocation of certain expenses and portfolio fees to us and for certain indemnification and exculpation of us and certain related persons. In addition, we, or our employees on our behalf, have received, and expect in the future to receive, stock of certain portfolio companies as a portfolio fee due to the service of our employees on the boards of such portfolio companies. Although such fees may be subject to offset as described above, the recipients (including us) of such stock generally will be able to determine the timing of the stock's disposition, which creates in certain circumstances a conflict of interest between us, as an adviser to the Capital Advisors Vehicle, and our related persons, on the one hand, and the Capital Advisors Vehicle, on the other.

We and our affiliates also engage and retain Senior Advisors, advisors, consultants and other similar professionals as independent contractors who, from time to time, receive payments from, or allocations with respect to, portfolio companies, Capital Advisors Vehicles and/or other entities. In such circumstances, such amounts generally will not be deemed paid to or received by us and our affiliates and such amounts will not be subject to the sharing arrangements described above. We describe these relationships further below. See “Item 11 — *Conflicts Relating to Activities and Compensation of TPG Operations/Business Building Professionals*,” “Item 11 — *Conflicts Relating to Activities and Compensation of Senior Advisors*” and “Item 11 — *Conflicts Relating to Activities and Compensation of Other Third Parties*.”

*Certain In-House Services.* Certain Capital Advisors Vehicles are responsible, either directly or by reimbursing us for the fees, costs and other expenses related to certain legal, regulatory, tax, finance and accounting, information technology, fund administration and similar services (including all fees, costs and other expenses relating to Portfolio Compliance) provided by us or an affiliate to or for the benefit of the Capital Advisors Vehicle (including an allocable portion of personnel and related overhead expenses) if certain conditions are met, which generally include but are not limited to:

- the fees, costs and other expenses of these services would be paid by the Capital Advisors Vehicle if the services were provided by third-party service providers;
- we reasonably believe it is in the Capital Advisors Vehicle’s best interests to have in-house personnel perform such services; and
- the costs of providing such services in-house are less than the amount that would be charged by a third party in an arm’s-length transaction.

These services include, but are not limited to, for example:

- legal, regulatory and tax services in connection with the organization, operation and activities of a Capital Advisors Vehicle, including preparation, negotiation, interpretation and implementation of a Capital Advisors Vehicle’s Governing Documents, investment due diligence, structuring, negotiation, execution, monitoring and exit related activities, and tax and regulatory compliance, analysis, quarterly, annual and other reporting and filings;
- financial management activities, including calculation of management fees and carried interest, financial tracking and reporting, preparing and recording capital activity, performing bank account reconciliations, and calculating and maintaining track records, and preparing and presenting fund reporting to investors;
- opening and administering bank accounts, custody administration, obtaining and administering lines of credit, foreign exchange hedging and execution (where applicable);
- assisting in and administering deal closings, distributions, capital calls and other funds flows, managing credit lines, fund expense review, fund performance monitoring and reporting and fund working capital management;

- accounts payable and receivable processing and process development, expense analysis and fund invoice execution and cash collection;
- portfolio company valuation for fund financial reporting, reporting and analysis of portfolio company information;
- fund administration activities such as investor onboarding and transfer related activities, maintaining investor databases, coordinating responses to investor requests and due diligence questionnaires (including legal, compliance, ESG, accounting, treasury and other specialist review of such questionnaires), processing investor audit confirmations and account updates, coordinating investor mailing and communications, publishing investor documents and meeting materials and oversight of operational due diligence processes;
- information technology development, maintenance and support services in connection with fund accounting and reporting software and other systems and programs used to provide services to a Capital Advisors Vehicle;
- services related to the implementation of, and compliance with, legal, regulatory, ESG and other similar standards and commitments applicable to a Capital Advisors Vehicle, its investments and/or potential investments, including diligence thereof and any requirements relating to such standard and commitments that are included in investor side letters or investor policies; and
- oversight of third-party service providers that provide the services described above.

The amount of fees, costs and expenses of in-house services that a Capital Advisors Vehicle bears on an annual basis will typically be subject to a cap.

Occasionally, whether a service meets the criteria for reimbursement from a Capital Advisors Vehicle is not clear. In such circumstances, we will determine in our sole discretion whether reimbursement is appropriate. Our determinations regarding the types of activities we seek reimbursement for will likely change over time, and additional activities not set forth in the examples above but that satisfy the criteria of in-house services are expected to be subject to reimbursement in the future.

From time to time, our in-house professionals work alongside third-party service providers on the same matter or engagement. When this occurs, although a third party is also engaged on the matter, a Capital Advisors Vehicle is still expected to reimburse us for the work performed in house to the extent we determine that the in-house work meets the criteria for reimbursement. We expect that the services provided by us or an affiliate in-house will expand over time.

We have developed processes to monitor the allocation of expenses relating to in-house services. Currently a monthly time allocation is prepared for each individual service provider (e.g., TPG employee or other affiliate) to reflect the services he or she provided to Capital Advisors Vehicles and/or Related Funds, certain Co-Investment Vehicles managed by us and/or us or Related Advisers as applicable. Senior professionals in the relevant service group and our legal or

compliance professionals review the allocations on a quarterly basis for reasonableness. We determine the monetary value of services performed by a TPG employee providing in-house services by reference to the aggregate annual compensation paid to the employee (including benefits, profits interests, equity interests (including restricted stock units or other equity awards in TPG Inc.) or other incentive-based compensation), plus an estimate of the overhead and other fixed costs allocable to the employee, and the amount of time spent by the employee providing the in-house services. Our internal compensation team adjusts recorded time as necessary, and we review the assigned monetary value against third-party benchmarks on an annual basis, which may, for the avoidance of doubt, be at the top of the range we determine to be reflective of rates in the applicable market and similar markets. The Capital Advisors Vehicles and Related Funds will bear their share of the cost of benchmarking and the calculations described above, including research of third-party rates. For time allocated to a Capital Advisors Vehicle, it bears the lesser of the third-party benchmark and the actual in-house service cost. Because our in-house expense allocation process relies on certain judgments and assessments that in turn are based on information and estimates from various individuals, the allocations that result are not likely to be exact and we do not represent that any benchmarking ultimately will be accurate, comparable or relate specifically to the assets or services to which such rates or terms relate. Where such rates or terms include hourly components, we reserve the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. In the future we could use additional or different methods to allocate in-house expenses.

*Project Service Fees.* Certain Capital Advisors Vehicles will reimburse all fees, costs and other expenses related to certain services rendered to the Capital Advisors Vehicles or their portfolio investments by us and our affiliates, persons retained by us or our affiliates and/or other businesses and service providers in which we and our affiliates and/or any of their respective current or former personnel have an interest, where the portfolio investment does not directly or indirectly reimburse such costs. These services include, for example, support or analysis regarding:

- sourcing, due diligencing, evaluating and pursuing the development of the underlying assets that comprise portfolio investments;
- project-level services, including:
  - project, site and property management;
  - construction and construction management, development and development management and other real estate and real estate-related matters;
  - asset management, including monitoring the financial condition and other relevant operating performance metrics of portfolio investments;
  - planning, maintenance, systems and controls, technical services and other day-to-day or local functions;
  - design, engineering and manufacturing;
  - supply chain management and purchasing;

- technology development and implementation;
- leasing, brokerage and sales and sales agent;
- mortgage and other financing and loan servicing;
- business development;
- realization, exit support and monetization, including creating an operating plan or monetization strategy to identify cross-use opportunities at multiple projects within a portfolio;
- property and/or other types of insurance; and
- other similar functions.

We may, but are not required to, cause each portfolio investment to reimburse all fees, compensation and costs of project services (such costs, “Project Service Fees”) that we, in our reasonable discretion, allocate to that portfolio investment. Such Project Service Fees can include, at our sole discretion taking into account the particular services, salary and performance-based compensation (such as cash fees, retainers, discretionary bonuses (whether or not based on pre-determined milestones)), transaction fees, equity interests in a portfolio investment or holding company, incentive equity, stock awards or other profits or equity interests in portfolio investments (the terms of which may be different than the profits or equity interest owned by a Capital Advisors Vehicle) or other incentive-based compensation, the amount of which may be determined according to one or more methods. In the event a portfolio investment is unable to reimburse Project Service Fees, such Project Service Fees shall be reimbursed by the applicable Capital Advisors Vehicle.

Project Service Fees will generally not exceed the rate that would be payable by a Capital Advisors Vehicle or its portfolio investments if such services were provided by a third party providing comparable services in an arm’s-length transaction. We will make determinations of market rates (i.e., rates that fall within a range that we have determined is reflective of rates in the applicable market and certain similar markets, though not necessarily equal to or lower than the median rate of comparable firms) based on our consideration of a number of factors. Any methodology, or choice among methodologies, involves potential conflicts of interest.

Any reimbursement by a Capital Advisors Vehicle or a portfolio investment of Project Service Fees will not constitute “portfolio fees” and will not be shared with a Capital Advisors Vehicle or investors or reduce the advisory fee payable by any investor.

We will determine the categorization of services provided by any such persons as a Specialized Operational Service or a project service, and because Specialized Operational Services are subject to a per annum cap and project services are not, we have an incentive to categorize such services in a manner that allows such services to be paid by a Capital Advisors Vehicle and/or portfolio investments without exceeding any per annum cap on Specialized Operational Services or to otherwise shift costs that would otherwise be borne by us.

*Foreign Office Services.* Non-U.S. vehicles and portfolio companies of a Fund from time to time receive operational, investment monitoring and risk management, director (or analogous function), entity administration, legal, regulatory, tax, accounting and similar services from TPG's Luxembourg, Singapore and other non-U.S. offices, if applicable. We refer to such services provided by such non-U.S. offices as "Foreign Office Services." Each non-U.S. vehicle of a Fund and each portfolio company receiving Foreign Office Services will reimburse our relevant affiliates for the allocable share of the expenses incurred by such affiliates in providing Foreign Office Services to it (including any value added taxes or other sales taxes thereon). Reimbursements include personnel and related overhead expenses related to Foreign Office Services, including establishment costs of any new applicable non-U.S. offices, but do not include any amounts incurred in performing the investment advisory functions (e.g., the services customarily performed by investment professionals), which will not be reimbursable. These reimbursements will not constitute "portfolio fees" and will not be shared with a Fund or the investors in a Fund or reduce the advisory fee payable by any investor in a Fund. We are developing processes for the allocation of Foreign Office Services expenses, and currently expect they will be similar to the in-house services processes described above. We could use additional or different allocation methods over time.

*Y Analytics.* Y Analytics is a public benefit company currently controlled by TPG that provides ESG-related services to the Capital Advisors Vehicles and Related Funds including services related to diligence (both portfolio company diligence and investor due diligence), screening and portfolio-level initiatives. For certain Capital Advisors Vehicles, Y Analytics also provides impact assessment, underwriting and due diligence services. TPG is typically entitled to reimbursement for ESG-related services provided by Y Analytics to a Capital Advisors Vehicle or its portfolio companies either as a Specialized Operational Service (see "*Item 11 - Providers of Specialized Operational Services to Portfolio Companies*") or as an in-house service (see "*Item 5 – Certain In-House Services*"). For certain Capital Advisors Vehicles, amounts paid to Y Analytics for services will be borne by such Capital Advisor Vehicle as Fund expenses. Any amounts paid to Y Analytics for the services described above will not reduce management fees payable by investors or otherwise be shared with a Capital Advisors Vehicle.

The relationship between Y Analytics and the Capital Advisors Vehicles gives rise to conflicts of interest. For example, we have an incentive to engage Y Analytics in connection with a prospective investment even if a third party could provide similar services. In addition, we are authorized to determine the categorization of Y Analytics expenses as, in-house service expenses, Specialized Operational Service expenses, or, for certain Capital Advisors Vehicles, Fund expenses. Because only Specialized Operational Services are subject to a per annum cap, TPG has an incentive to categorize such services as in-house expenses or, for certain Capital Advisors Vehicles, as a Fund expense (i.e., in a manner that allows such services to be borne by the Capital Advisors Vehicle and/or portfolio companies without exceeding any per annum caps, or to otherwise shift costs that would otherwise be borne by us).

*Overhead.* In calculating reimbursement amounts for Specialized Operational Services, in-house services, project services and Foreign Office Services, we include an estimate of overhead costs for the individuals providing the services. Our estimate sometimes varies depending on the nature and location of the work being performed. Overhead charges currently include but are not limited to:



- location costs: rent and other office costs, such as electricity, facilities services, catering charges and property taxes;
- administrative costs: administrative personnel costs;
- IT costs: information technology costs relating to hardware, software and technology costs of our infrastructure;
- HR and recruiting costs: in-house human resource-related costs, and expenses paid to third-party talent agencies for recruiting; and
- research-related costs: research costs and other miscellaneous expenses associated with items such as subscriptions to trade journals and databases.

We review our overhead estimates on a periodic basis, typically annually. We may change our overhead methodology over time.

*Travel Expense Reimbursements.* As described above, Funds reimburse us for Fund-related travel expenses of our personnel, including travel relating to a Fund’s organization, investment activities, investor conferences and advisory committee meetings. Portfolio companies also often reimburse us for travel expenses, including travel relating to transactions, board service and other monitoring activities, and Specialized Operational Services. Travel reimbursements currently include, but are not limited to, items such as:

- hotel accommodations and other forms of lodging;
- air and ground transportation;
- meals; and
- incidental travel expenses.

We expect some of the Fund-related and portfolio company-related travel, and the reimbursements we receive, to include “business class,” “first class” or other forms of premium travel and accommodation and could include the use of chartered travel or private air travel, as appropriate and in accordance with our travel policies. In addition, we and our personnel will from time to time receive personal benefits and perquisites arising from Fund-related and portfolio company-related travel, including special credits and discounts provided from service providers. For example, airline travel or hotel stays may result in frequent flyer or loyalty “miles,” “points,” or rebates for use by us and our personnel. These benefits will not be shared with the Fund or portfolio companies and will not offset the advisory fee.

*Compensation Received by TPG Capital BD, LLC and Related Entities for Capital Markets Activity.* Our affiliate TPG BD is a broker-dealer registered with the U.S. Securities and Exchange Commission (the “SEC”) and a member of the Financial Industry Regulatory Authority (“FINRA”).

TPG BD and related entities typically receive compensation for the services we provide in connection with capital market activities. See “*Participation of TPG BD and Related Entities in Capital Markets Activity*” in Item 11 for additional information on such compensation and related conflicts of interest.

While we believe such fees, commissions and other compensation are reasonable and generally charged at market rates for the relevant activities, such compensation may not in each case be negotiated at arm’s length and from time to time may be in excess of fees, commissions or other compensation that may be charged by an unaffiliated third party. Capital Advisors Vehicles generally will not have the right to share in, or have advisory fee offsets for, any compensation received by TPG BD. TPG BD will only serve as a broker-dealer in a transaction for a Capital Advisors Vehicle or its portfolio company if we determine it is consistent with our fiduciary duties.

TPG BD’s business continues to evolve and expand. It is possible that TPG BD will earn fees for engaging in other transactions that relate to a Capital Advisors Vehicle or its portfolio companies. For example, TPG BD could place interests in vehicles formed for the purpose of making co-investments or exercising our rights or discharging our obligations under the Governing Documents.

When TPG BD acts as the placement agent for a Capital Advisors Vehicle in respect of securities or instruments issued by the Capital Advisors Vehicle, no commission or other compensation is received by TPG BD from such Capital Advisors Vehicle or their investors for such service.

*Leveraged Procurement.* Additionally, certain portfolio companies of Capital Advisors Vehicles are also, or have been, counterparties or participants in agreements, transactions or other arrangements that involve payments, discounts, reimbursements or other benefits to us or our affiliates. For example, we currently afford certain portfolio companies the opportunity to participate in a program with us, our affiliates and other portfolio companies pursuant to which one of our affiliates negotiates favorable procurement arrangements. We and our affiliates, together with participating portfolio companies, receive the favorable procurement terms, which we are able to secure due in part to the involvement of our portfolio companies. This program is a Specialized Operational Service provided to participating portfolio companies, and therefore our affiliates receive reimbursements from the Capital Advisors Vehicles and their portfolio companies to cover the cost of administering the program through the method described in “*Item 11—Providers of Specialized Operational Services to Portfolio Companies*” and such reimbursements are not subject to advisory fee offsets or otherwise shared with the Capital Advisors Vehicles. Because the cost of administering this program is shared among the participants, we will disproportionately benefit from it to the extent we utilize a greater number of the favorable procurement arrangements to a greater degree than any of the participating portfolio companies.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

The Funds generally allocate a portion of their investment profits to their general partners, which are affiliated with us, as a carried interest, as set forth in each Fund’s Governing Documents. Co-Investment Vehicles also, in some cases, allocate a portion of their investment profits to their

general partners, which are affiliated with us, as a carried interest, as set forth in the relevant organizational documents for each Co-Investment Vehicle.

There is a reduced allocation or no allocation of carried interest with respect to certain investors in certain Funds, including, for example, the Fund's general partner, its affiliates and certain "friends of the firm."

The allocation of carried interests at different rates, or subject to different hurdle rates, creates an incentive for us or our affiliates to disproportionately allocate time, services or functions to vehicles allocating carried interests at a higher rate (or subject to a lower hurdle rate), or to allocate investment opportunities to such vehicles. We have adopted policies and procedures that, among other things, seek to ensure that investment opportunities are allocated in a manner that we believe is consistent with the relevant Governing Documents and otherwise fair and reasonable under the circumstances, considering such factors as we deem relevant, but in our sole discretion.

Since the amount of carried interest allocable to a Capital Advisors Vehicle's general partner depends on the Capital Advisors Vehicle's performance, we have an incentive to approve and cause the Capital Advisors Vehicle to make more speculative investments than it would otherwise make in the absence of such performance-based allocation. We also have an incentive to dispose of a Capital Advisors Vehicle's investments at a time and in a sequence that would generate the most carried interest, even if it would not be in the Capital Advisors Vehicle's interest to dispose of the investments in that manner. In addition, tax reform enacted in 2017 in the United States (see "*Item 8 — Methods of Analysis, Investment Strategies and Risk of Loss — Material Risks of Significant Investment Strategies — Tax Considerations*") has generally increased to three years the holding period required in order for professionals to treat carried interest as capital gain and further changes have recently been under discussion in the U.S. Congress that could increase such required holding period. This creates an incentive for us to hold a Capital Advisors Vehicle's investments for longer periods in order for the gain from their dispositions to qualify for capital gain treatment under the carried interest rules, even if it would be in the Capital Advisors Vehicle's interest to hold the investments for shorter periods. See Item 11 below for additional information relating to how we generally address conflicts of interest.

## **ITEM 7 – TYPES OF CLIENTS**

See "*Item 4 – Advisory Business.*"

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### ***Methods of Analysis and Investment Strategy – Private Equity***

We primarily seek to make significant investments in operating companies through acquisitions and financings. In evaluating a potential portfolio company, we conduct extensive due diligence to analyze, among other things, the company's

- market and competitive position within that market;
- cost and revenue structures;

- unique assets, such as brand strength, distribution capability and intellectual property;
- management team and compensation structure;
- key downside risks;
- contingent liabilities (environmental, regulatory, accounting or otherwise);
- sustainability and other environmental, social and governance considerations;
- potential growth opportunities; and
- potential exit strategies.

We employ a worldwide network and an integrated investment process. We seek to establish a comprehensive view of key investment issues, including operations, competitors and regulatory constraints, across geographies. The Capital Advisors Vehicles are integrated through a centralized investment review process, from sourcing through portfolio management.

In each Capital Advisors Vehicle, we generally seek to build a portfolio that is diversified with respect to transaction type, geographical exposure (as distinct from “domicile”) and sector. We also generally seek to maintain investment balance across industries that we believe are stable or otherwise attractive and industries with attractive long-term secular growth trends. We aim to identify “second derivative” correlations to avoid overweighting to single macroeconomic factors that typically affect different industries and geographies. We also source and present to investors in certain Capital Advisors Vehicles investment opportunities tailored to meet pre-determined investment strategies, and such opportunities may be pursued through a one-investor Fund that represents a separately managed account for such investor. Such strategies include making investments with shorter durations and different targeted returns than those found in traditional private equity funds. Investments in Funds that represent separately managed account arrangements are made on a discretionary basis, and such investments may or may not be made alongside other Capital Advisors Vehicles.

We seek to identify operational enhancements during due diligence and to add value to portfolio companies following an acquisition. We utilize creative operational and financial strategies throughout the portfolio companies’ evolution. We and our affiliates employ a group of operating professionals with significant career experience and deep sector expertise. We and our affiliates also employ a group of professionals with highly focused functional specializations.

We have a dedicated TPG operations team with the mission of driving shareholder value creation by engaging throughout the lifecycle of an investment, from the investment due diligence phase through exit. Following investment, the TPG operations team helps identify and execute on

revenue growth, operational effectiveness and profit enhancement initiatives. The scope of this group's activities is summarized as follows:

- support the due diligence process by providing sector insights and expertise that informs transaction underwriting and identifying opportunities for operational improvement post-investment;
- support human capital initiatives by enhancing management teams and boards;
- drive the value creation planning process through active engagement with management teams;
- provide business performance oversight; and
- serve as interim executives, when necessary.

### ***Methods of Analysis and Investment Strategy – Private Equity (Asia)***

In Asia, we focus on sourcing assets in select sectors and markets. We aim to invest in deals we expect will benefit from regional growth trends and leverage our operations capabilities by seeking to acquire or upgrade talent and drive operational change. We seek to create a diversified portfolio across Asian geographies, sectors, control profiles and deal types. We apply a thematic approach to investing, pursuing what we believe to be the most attractive risk-adjusted investment opportunities available.

We seek geographic diversification to help mitigate country-specific risk. We believe the ability to maintain flexibility is important given the geographically expansive region and the variation in the maturities of the economies. As a pan-Asian investor, we invest in both developed and developing countries, which yield different investment opportunities from traditional leveraged buyouts to growth equity. We emphasize control-oriented investments and implement various types of deal structures according to what we deem most appropriate for the market and opportunity and believe that gaining influence (particularly in minority investments) requires creativity, an understanding of local regulatory and political restrictions, credibility as a partner and local relationships.

### ***Methods of Analysis and Investment Strategy – Private Equity (Growth)***

Our Growth investment team focuses on growth equity and control growth buyout investment opportunities, leveraging TPG's substantial institutional resources to contribute to thematic insight, sourcing and investment diligence with the aim of enhancing investment returns.

Our approach is focused on generating compelling risk-adjusted returns through:

1. targeted sector diversification, providing broad market exposure based on themes that are consistent with our accumulated expertise and views on the market;
2. flexible structural toolkit allowing us to be deal structure agnostic, optimizing for risk/reward;

3. thematic integration across geographies; and
4. growth alpha generation through deep business building engagement.

Our growth investments are often sourced directly through our broader platform, including our network of portfolio companies and relationships. We seek opportunities in which our investing platform or expertise creates differentiated investment opportunities and unique insights that inform the investment thesis and transaction underwriting – what we refer to internally as the “TPG angle.”

We source and invest across the globe, focused on five key sectors: Business Services, Consumer, Healthcare, Internet Digital Media & Communications, and Software & Enterprise Technology. We primarily make growth equity and control growth buyout investments. We seek to diversify our portfolio by industry and to optimize the capital structure of our portfolio companies to enhance equity returns, using leverage in select situations.

### ***Methods of Analysis and Investment Strategy – Private Equity (Rise)***

The Rise platform invests primarily in growth equity, control growth buyout, infrastructure and select venture capital opportunities that have positive social or environmental impact inherent in their core strategy. The Rise platform represents a paradigm shift, investing at scale to pursue both competitive financial returns and measurable societal benefits. We launched The Rise platform in 2016 with the founding of The Rise Fund, and have since raised a successor Rise Fund and built out our impact platform to include sector specific impact investing funds including the Evercare Health Fund, an emerging markets healthcare investing vehicle, TPG Rise Climate, a dedicated climate investing strategy and TPG Rise Climate Transition Infrastructure, a climate and transition infrastructure strategy. Our multi-fund impact platform harnesses the diverse skills of a differentiated group of stakeholders: (i) Y Analytics, a public benefit organization that is wholly owned by TPG and which we founded to provide impact research and rigorous assessment measures for impact investments; (ii) a Global Advisory Board composed of global thought leaders supporting conscientious capitalism as well as a group of strategic partners and advisors; and (iii) The Climate Coalition, a partnership between TPG and more than 20 leading global corporations to share knowledge of and invest in climate solutions through TPG Rise Climate. With these complementary perspectives, the Rise platform thematically expects to select businesses producing goods or services that help address significant societal challenges such as those identified by the United Nations’ Sustainable Development Goals.

Rise pursues investments in three main categories:

1. proactive sector, geography or impact-based themes that are consistent with our accumulated expertise and views on the market;
2. companies in which our platform capabilities and portfolio create differentiated investing views; and

3. growth equity, control growth buyout and select venture capital opportunities in which we can buy at attractive valuations and improve the business post-closing with the aim of generating strong risk-adjusted returns and positive social or environmental impact.

We source and invest across the globe, focused on five key sectors: Education, Financial Inclusion, Healthcare, Impact Services and Climate & Conservation. Our Rise investments are often sourced directly through our broader platform, including our network of portfolio companies and relationships, as well as the Rise Global Advisory Board. We seek opportunities in which we believe our investing platform or expertise creates differentiated investment opportunities and unique insights that inform the investment thesis and transaction underwriting.

#### ***Methods of Analysis and Investment Strategy – Private Equity (TPG Tech Adjacencies)***

TPG Tech Adjacencies (“TTAD”) is the primary investment platform for TPG’s equity investments in companies operating in the internet, digital media & communications and software & enterprise technology sectors. Over the past decade, as technology companies stay private for longer and much of a company’s equity value creation is now taking place in the private markets as opposed to the public markets, there has been the creation of a new asset class of investment opportunities that few traditional players have mandates to pursue. TTAD provides the flexible source of capital that is well positioned to pursue these opportunities while benefiting from the thematic insight, sourcing capabilities and investment diligence of TPG’s substantial institutional resources.

#### ***Methods of Analysis and Investment Strategy – Private Equity (TPG Digital Media)***

TPG Digital Media is a TPG platform making acquisitions across several digital media sectors. TPG Digital Media has a long-term and control-oriented mandate and looks to take a “buy and build” approach with its assets. We typically begin with a foundational investment in a given vertical. As a holding company, our design facilitates ongoing investment behind that asset and its underlying thesis

#### ***Methods of Analysis and Investment Strategy – Private Equity (Energy Solutions)***

TPG Energy Solutions (“TES”) is an oil and gas (“O&G”) focused fund which made investments in securities that provided downside protection and current yield along with the potential to participate in equity upside. TES made primarily structured investments, including corporate convertible preferred equity and asset-level preferred equity, with a focus on the U.S. midstream and upstream sectors.

#### ***Methods of Analysis and Investment Strategy – Private Equity (Life Sciences)***

TPG Life Sciences Innovations is a life sciences-focused fund targeting venture capital and growth investments in companies in the therapeutics sector (including oncology, rare/orphan diseases, autoimmune and inflammatory diseases, ophthalmology, genetic medicines, cell therapies, and novel chemistry platforms) and non-therapeutics sector (including tools, medical devices, and pharma services), as well as co-investing with the broader TPG healthcare ecosystem in relevant opportunities that fit the life sciences strategy.

### ***Methods of Analysis and Investment Strategy – Private Equity (Strategic Capital)***

TPG Strategic Capital Fund is a public governance-focused fund leveraging TPG’s experience across the public and private equity markets. The Fund targets opportunities in the public markets where TPG can combine its private equity sector expertise and public equity investing capabilities. The fund also seeks board seats in order to be a “constructive” shareholder to provide advice and resources on strategic issues.

### ***Material Risks of Significant Investment Strategies***

The investment strategies described above, and other strategies that Capital Advisors Vehicles pursue, involve a substantial degree of risk, and the Capital Advisors Vehicles may lose all or a substantial portion of the value of their investments. Investors should refer to the applicable Capital Advisors Vehicle’s offering documents where the material risks relating to the investment strategies and methods of analysis described above are described in more detail. In addition, our representatives are available to discuss with potential investors the risks involved in the strategies a Capital Advisors Vehicle pursues. Such material risks include those set forth below.

While the following discusses the risks as they relate to the “Funds,” Co-Investment Vehicles will be subject to some or all of the following risks, depending on the risks associated with the applicable transaction or investment strategy. To the extent certain Co-Investment Vehicles pursue investments or strategies that are not pursued by the Funds, such Co-Investment Vehicles will likely be subject to additional risks, as described in their respective offering documents.

- *Market Conditions and Financial Market Fluctuations.* Market and economic conditions throughout the world will materially affect a Fund’s investments. Our view on these matters may prove to be incorrect, in which case a Fund’s investments may perform worse than anticipated.
- *Risks of Pandemics.* The spread of infectious disease, together with any resulting travel restrictions or quarantines, could have a significant negative impact on the economy and the Funds and their portfolio companies’ business activities.
- *U.S. Presidential Election.* The outcome of future U.S. presidential and other elections could create significant uncertainty with respect to legal, tax and regulatory regimes in which the Funds, as well as us and our affiliates, will operate.
- *Competition for Investments.* Other investment funds and other institutions currently in existence or organized in the future may have a strategy similar to that of the Funds or may otherwise adopt the Funds’ strategies wholly or in part and, in each case, compete with the Funds. Certain of these funds and institutions possess competitive advantages over the Funds.
- *Risks Associated with Publicly Traded Securities; Illiquidity.* When investing in publicly traded securities, a Fund may be unable to obtain financial covenants or other contractual rights, including management rights, that it might otherwise be able to obtain in making privately negotiated investments. Investments in securities of publicly traded companies



may be sensitive to movements in the stock market and trends in the overall economy. In addition, the Funds may hold a significant portion of the publicly traded securities of a public company and there is no guarantee that the Funds will be able to dispose of such securities at the price and at the time such Fund wishes to do so.

- *Risks Associated with Structured Securities.* Investing in structured securities entails various risks, including credit risks, liquidity risks, interest rate risks, market risks, operations risks, structural risks, basis risks and legal risks. Structured securities are subject to the significant credit risks inherent in the underlying collateral and to the risk that the underlying company may fail to perform.
- *In-Kind Distributions.* The Funds may make distributions in cash, in-kind or in a combination thereof. The risk of loss and delay in liquidating in-kind distributions will be borne by investors, with the result that such investors may ultimately receive less cash than was reflected in the fair value of such assets as determined pursuant to the Governing Documents and may be required to hold the asset distributed in-kind for an indefinite amount of time.
- *Uncertainty Regarding Investments.* The due diligence process is subjective at times and may be undertaken on an expedited basis and/or on the basis of imperfect information in order to take advantage of available investment opportunities. As a result, the due diligence investigation may not reveal or highlight all relevant facts that are necessary or helpful in evaluating an investment opportunity. The Funds' due diligence investigations cannot ensure the success of their investments.
- *Unspecified Investments; Lack of Sufficient Investment Opportunities.* A Fund may be unable to find a sufficient number of attractive opportunities to invest its available capital or meet its investment objectives. Further, we cannot assure that what we perceive as an attractive investment opportunity will not, in fact, result in substantial losses due to one or more of a wide variety of factors.
- *Potential Lack of Diversification.* While diversification is generally a Fund objective, there is no assurance as to the degree of diversification that we will actually achieve.
- *Reliance on Our Professionals.* The success of a Fund will depend in large part upon the skill and expertise of our professionals. However, investors should be aware that certain professionals have significant other responsibilities. We cannot assure that any individual professional will continue to be associated with a Fund or that replacements will perform well and, in the event of the departure of any or all of such persons, investors will nevertheless be required to continue to fund certain capital contributions.
- *Reliance on the Management of Portfolio Companies.* Although we intend to ensure that a Fund's portfolio companies have strong management teams and/or to assist in enhancing management teams, there can be no assurance that any portfolio company's management team will be able to operate successfully.

- *Sourcing of Investments.* To the extent our sourcing channels do not present us with a sufficient volume of investment opportunities, or the opportunities presented are not suitable for investment by a Fund, the Fund's performance will be adversely affected.
- *Extensive Government Regulation.* The extensive government regulation of certain industries in which certain Funds invest creates additional uncertainty and risks for the Funds.
- *Antitrust Risk.* The Funds and their portfolio companies will be subject to antitrust and competition rules that apply in the United States and the countries or regions where they do business, and there has been increased scrutiny from antitrust regulators around the world. The application of those rules and the increased scrutiny by authorities could result in sanctions, fines or penalties, including civil damage actions, or delays or other difficulties in consummating the Funds' investments or divestments.
- *Tax Uncertainty.* The Funds may invest in jurisdictions in which the tax treatment of the Funds and the taxation of their activities or income are uncertain. Similarly, there may be changes in tax laws or interpretations of tax laws (including retroactively) in a jurisdiction in which the Funds or one of their subsidiaries operates, is managed, is advised, is promoted or invests, or in which any of the investors is resident, that are adverse to the Funds, their subsidiaries or their investors.
- *Tax Benefits.* Although a Fund may invest in certain projects or assets that may directly or indirectly be eligible for U.S. federal income tax benefits, such Fund will not expect to recognize a material amount of such tax benefits, and each of the foregoing tax benefits recognized by a Fund, if any, may be subject to material limitations on use at either the Fund or investor level.
- *Changes in the Political Environment of the United Kingdom and Europe.* The United Kingdom left the European Union on January 31, 2020 (commonly referred to as "Brexit"). Although one cannot predict the full effect of Brexit, it has already had a significant adverse impact on the United Kingdom, European and global macroeconomic conditions and could continue to cause prolonged political, legal, regulatory, tax and economic uncertainty. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the United Kingdom or the European Union, including companies or assets held or considered for prospective investment by the Funds.
- *Trade Policy.* Global trade disruption, significant introductions of trade barriers and bilateral trade frictions, together with any resulting future downturns in the global economy, could adversely affect the financial performance of the Funds and their investments.
- *Eurozone Risks.* Certain Funds expect to invest from time to time in European companies and companies that have operations affected by the Eurozone economy. In 2010 and 2011, concerns emerged over potential default of certain European Union member states and the

stability of the Eurozone as a whole. Actions taken by European leaders and the European Central Bank served to mitigate these risks, but these concerns could re-emerge which would likely have an adverse impact on the European and global economy and, consequently, on the Funds.

- *LIBOR and Other “IBOR” Rates.* LIBOR, the London Inter Bank Offered Rate, is an estimate of the interest rates to borrow U.S. dollars, sterling, euros and certain other currencies in the London unsecured interbank market, and has been widely used as a reference for setting the interest rate on loans, bonds, and derivatives globally. The United Kingdom’s Financial Conduct Authority, which regulates LIBOR, announced its intention to phase out the creation of LIBOR estimates by the end of 2021, including transitioning to alternative reference rates. If the transition from LIBOR results in an overall increase to borrowing costs, higher interest expense could negatively affect the financial results and valuations of a Fund’s portfolio companies. There is no guarantee that a transition from LIBOR to an alternative will not result in financial market disruptions, significant increases or volatility in risk-free benchmark rates or borrowing costs to borrowers, any of which could have a material adverse effect on our results of operations, financial condition and cash flow.
- *Increased Regulatory Oversight.* The financial services industry generally, and the activities of private investment funds and their managers, in particular, have in recent years been subject to intense and increasing regulatory oversight. Such scrutiny may increase the Funds’, the general partners’ and our exposure to potential liabilities and to legal, compliance and other related costs.
- *Currency Risk.* Fluctuations in currency values could adversely affect the U.S. dollar value of portfolio companies, interest, dividends and other revenue streams received by the Funds, gains and losses realized on the sale of portfolio companies and the amount of distributions, if any, to be made by the Funds. Furthermore, the portfolio companies in which the Funds invest could in many cases be subject to risks relating to changes in currency values.
- *Monetary Policy and Governmental Intervention.* Actions by the U.S. Federal Reserve and other central bankers may have a significant effect on interest rates and on the U.S. and world economies generally, which in turn may affect the performance of the Funds’ investments.
- *Political/Sovereign Risk.* The right of certain of the Funds’ portfolio companies to generate, deliver or sell certain goods or services may be granted by or derive from approval by governmental entities and are subject to special risks, including the risk that the relevant governmental entity will exercise sovereign rights and take actions contrary to the rights of the Funds or the relevant portfolio company or project under the relevant agreement. There can be no assurance that the relevant governmental entity will not legislate, impose regulations or change applicable laws or act contrary to the law in a way that would materially and adversely affect the business of any portfolio company.

- *Restrictions on Foreign Investment.* Foreign investment in the securities of issuers operating in non-U.S. countries is restricted or controlled to varying degrees. These restrictions or controls could at times limit or preclude foreign investment in certain issuers and increase the costs and expenses of the Funds.
- *Governmental Licenses.* Portfolio companies in non-U.S. countries could be dependent upon the grant, renewal or continuance in force of appropriate contracts, licenses, permits and regulatory approvals and consents which might be valid only for a defined time period, might be subject to limitations and might provide for withdrawal in certain circumstances. There can be no assurance that such contracts, licenses, permits and regulatory approvals and consents would be granted, renewed or continue in force, or if so, on what terms.
- *Investments through Offshore Holding Companies.* The Funds could invest in portfolio companies operating in a non-U.S. country indirectly through holding companies organized outside of such target country. Government regulation in the target country could, however, restrict the ability of the portfolio companies to pay dividends or make other payments to a foreign holding company.
- *Tax and Regulatory Risk.* Investment by private equity and other investment firms in certain countries has attracted, and may continue to attract, scrutiny by tax and other regulatory authorities in such countries. Although TPG will continue to use reputable legal and tax advisors in connection with the investment activities of the Funds, there can be no assurance that such authorities will not audit, investigate or otherwise inquire as to the Funds' investment activities or that such authorities will not impose fines or penalties in connection therewith.
- *Inflation.* Many world governments, as well as inter-governmental institutions, have in recent years undertaken and in some cases may still be undertaking various and in some case unprecedented forms of fiscal stimulus, including setting interest rates that are (and have been for extended periods) at historic lows. It cannot be predicted with certainty when, or how, these policies will change, but actions by the U.S. Federal Reserve and other central bankers may have a significant effect on interest rates and on the U.S. and world economies generally, which in turn may affect the performance of the Funds' investments.
- *Financial Institution Risk; Distress Events.* An investment in the Funds is subject to the risk that one or more banks, brokers, hedging counterparties, lenders, custodians or other companies in the financial services industry used by the Funds or a portfolio company fail to timely perform their obligations or experience insolvency, closure, illiquidity, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023. Any such distress event (or concerns among market participants of such a distress event) may lead to market-wide liquidity problems that could adversely affect the general partner's ability to manage the Funds and their investments, and on the ability of the general partner, the Funds and any portfolio company to access cash and cash equivalents in amounts adequate to finance and maintain their operations, which in each case could result in significant losses and in unconsummated investment acquisitions and dispositions.

- *Interdependence of Securities Markets.* The market and the economy of a particular country in which the Funds invest are influenced to varying degrees by economic and market conditions in other countries in the region. Investors' reactions to developments in one country can have adverse effects on the securities of companies and the value of property and related assets in other countries in which the Funds invest.
- *Investments in Early-Stage and Late-Stage Companies.* Certain Funds invest in companies that are in a conceptual or early stage of development and such investments are considered highly speculative and may result in the loss of the Fund's entire investment in such company. Certain Funds also invest in later-stage companies. These companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire a business or develop new products and markets; these activities by definition involve a significant amount of change and could cause significant issues in sales, manufacturing and general management.
- *Nature of Societal and/or Climate Impact Investments.* The focus of certain Funds on positive societal and/or climate impact investments subjects them to a variety of risks, not all of which can be foreseen or quantified. When evaluating potential investment opportunities for these Funds, in addition to financial return, we will look at an investment's potential to achieve a positive societal and/or climate impact. As a result, the opportunity set for potential investments will necessarily be smaller than it would otherwise be if we were seeking to make investments solely on the basis of financial returns, and we may forgo opportunities for these Funds that are attractive from a financial perspective if they do not also meet the Funds' societal and/or climate impact criteria.
- *Additional Capital Requirements of Portfolio Companies.* Certain of a Fund's portfolio companies, especially those in a development phase, require additional financing to satisfy their working capital requirements or acquisition strategies. The availability of capital is generally a function of capital market conditions that are beyond the control of a Fund or any portfolio company. There can be no assurance that we or the portfolio company will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.
- *Investments in Junior Securities.* The Funds often invest in companies that have already received one or more rounds of financing. The securities in which a Fund will invest in these instances may be among the most junior in a portfolio company's capital structure and thus subject the Fund to a greater risk of losing all or part of its invested capital.
- *Investments in Restructurings.* The Funds may invest in restructurings involving portfolio companies that are experiencing or are expected to experience financial difficulties. These portfolio companies may never overcome these financial difficulties and may become subject to bankruptcy proceedings.
- *Dependence on Patents, Trademarks and Other Intellectual Property.* Certain Fund investments will depend heavily or rely on a combination of patent, copyright, trademark and trade secret protection and non-disclosure agreements to establish and protect proprietary rights. The ability to effectively enforce patent, trademark and other

intellectual property laws will affect the value of many of these companies. There can be no assurance that a Fund or a portfolio company will be able to protect these rights or will have the financial resources to do so, or that competitors will not develop technologies substantially equivalent or superior to a company's technologies.

- *Investments in Underlying Funds.* Certain Funds were formed to provide equity investors with the opportunity to indirectly invest across private equity funds and vehicles managed, advised or sponsored by us on a levered basis, including Capital Advisors Vehicles and Related Funds (each such fund or vehicle in which a Fund invests, an "Underlying Fund"). The fees and expenses associated with investing in such a Fund will be incremental to the Underlying Fund fees and expenses associated with a direct investment in the Underlying Fund (which are typically paid to us or our affiliates). Additionally, the interests of the Fund, as an investor in an Underlying Fund, may conflict with the interests of the Underlying Fund or us or our affiliates in our capacity as service providers to the Underlying Fund, which would create a conflict of interest for us.
- *Availability of Financing.* A Fund's ability to invest in portfolio companies may depend on the availability and terms of any borrowings that are required or desirable with respect to such investments. A decrease in the availability of financing (or an increase in the interest cost) for leveraged transactions, whether due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders, would impair a Fund's ability to consummate these transactions and would adversely affect the Fund's returns.
- *Investments in Operating Turnarounds.* The activity of identifying and implementing restructuring programs and operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that we will be able to successfully identify and implement such restructuring programs and improvements.
- *Non-U.S. Investments.* The Funds will likely make investments outside of the United States, including in certain developing non-U.S. markets. Investments in the securities of non-U.S. issuers may be restricted or controlled to varying degrees. These investments require consideration of risks typically not associated with investing in U.S. securities or property.
- *Investments in Developing or Emerging Market Countries.* Certain Funds make investments in developing or emerging market countries, which could be more volatile and the costs and risks associated with investments in them are generally higher than for investments in other countries.
- *Investments in the Healthcare Sector.* Investing in healthcare companies involves substantial risks. Healthcare policy and changes in healthcare policy and related laws and regulations could have a material and adverse impact on the healthcare companies in which a Fund intends to invest, and the U.S. or non-U.S. government's role in the healthcare industry could adversely impact the Fund's performance.

- *Investments in the Life Sciences Sector.* Certain Funds may make investments in the life sciences sector. Investing in life sciences companies involves substantial risks. Life sciences policy and changes in life sciences policy and related laws and regulations could have a material and adverse impact on the life sciences companies in which a Fund intends to invest, and the U.S. or non-U.S. government's role in the life sciences industry could adversely impact the Fund's performance.
- *Debt Securities and Private Debt Instruments.* Investments in debt are subject to the ability of the issuer or the borrower to meet principal and interest payments on the obligation and may be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer or the borrower and the general market conditions. Such risks are greater for investments in non-investment grade, non-rated or lower credit quality debt than for investments in higher rated debt.
- *Convertible Securities.* The investment value of a convertible security is subject to, among others, credit risk, the risk of shifts in the market price of the underlying securities and changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline.
- *Loan Origination.* Although it is not currently expected to constitute a significant portion of the Funds' activities or portfolio, certain Funds or subsidiaries thereof (including subsidiaries treated as corporations for U.S. federal income tax purposes) may from time to time originate loans consistent with the Funds' respective investment objectives. In making loans, the Funds will compete with a broad spectrum of lenders, some of which may be willing to lend money on better terms (from a borrower's standpoint) than the Fund. Increased competition for, or a diminution in the available supply of, qualifying borrowers may result in lower yields on such loans, which could reduce returns to the Funds.
- *Default of Borrowers.* Loans that the Funds may make are subject to credit, liquidity and interest rate risk. In the event of any default on the Funds' investments in debt obligations by a borrower, the Funds will bear a risk of loss of principal and accrued interest on the debt obligation, which could have a material adverse effect on the Funds' investment and results of operations.
- *Borrower Fraud.* The Funds will rely upon the accuracy and completeness of representations made by borrowers to the extent reasonable, but cannot guarantee such accuracy or completeness.
- *Real Estate.* Certain Funds have invested in real estate and may make investments for which real estate is an incidental but significant portion of the investment's asset base or value. There are numerous risks related to the ownership and operation of real estate, including, but not limited to, fluctuations in the overall economy, national and local real estate conditions, dependence on cash flow, management direction and quality, increased competition with respect to rental rates, property attractiveness and location, financial condition of tenants, buyers and sellers of properties, quality of maintenance, insurance and management services, natural disasters; and changes in operating costs.

- *Interest Rate Risks.* Certain Funds will have exposure to interest rate risks, meaning that changes in prevailing interest rates could negatively affect them. Over any defined period of time, the Funds' interest-bearing assets may be more sensitive to changes in market interest rates than the Funds' interest-earning liabilities, or vice versa.
- *Hedging Policies and Risks; Synthetic Investments.* In connection with certain investments, some Funds employ hedging techniques intended to reduce the risks of these investments, including, for example, adverse movements in interest rates, securities prices and currency exchange rates. However, we are not required to employ hedging techniques in connection with Fund investments, and may be unable to anticipate all risks against which we could employ such hedges. In addition, hedging transactions have inherent risks, including the possible default by the counterparty to the transaction and the illiquidity of the instrument a Fund acquires. With respect to any investments in synthetic instruments, a Fund will be subject to the credit risk of the synthetic instrument counterparty, and, in the event of the insolvency of that counterparty, the Fund generally will be treated as a general creditor of that counterparty and will not have any claim of title with respect to the underlying asset.
- *Market Structure Requirements Applicable to Derivatives.* The Dodd-Frank Act enacted, and the CFTC and SEC have issued or proposed rules to implement, both broad new regulatory requirements and broad new structural requirements applicable to over the-counter ("OTC") derivatives markets and, to a lesser extent, listed commodity futures (and futures options) markets. Similar changes are in the process of being implemented in the European Union, Japan and other major financial markets. While these changes are intended to mitigate systemic risk and to enhance transparency and execution quality in the OTC derivative markets, we do not know the impact of these changes at this time.
- *European Market Infrastructure Regulation.* It is difficult to predict the full impact of changes to the European Union regulatory framework and legal regime relating to derivatives on the Funds. Prospective investors should be aware that the regulatory changes may in due course significantly raise the costs of entering into derivative contracts and may adversely affect the Funds' ability to engage in transactions in derivatives.
- *MiFID II Obligations.* We are a non-EEA/non-UK investment company and is, therefore, not directly subject to MiFID II, but may be indirectly affected. The regulatory obligations imposed by MiFID II may impact on, and constrain the implementation of, the investment strategy of the Funds.
- *Position Limits.* The Dodd Frank Act significantly expanded the scope of the CFTC's authority and obligation to require reporting of, and adopt limits on, the size of positions that market participants may own or control in commodity futures and futures options contracts and swaps. We do not know the full impact of these recent changes at this time. Individually and collectively, current and new position limits and associated aggregation requirements could increase the costs to the Funds of maintaining positions in commodity futures and futures option contracts and swaps and reduce the level of exposure the Funds are able to obtain (whether for risk management or investment purposes) through commodity futures and futures option contracts and swaps. These requirements could also



impair liquidity in certain swaps and adversely affect the quality of execution pricing obtained by the Funds, all of which could adversely impact the Funds' investment returns.

- *Bridge Financings.* From time to time, a Fund expects to provide financing to portfolio companies (which may include equity and/or debt financing) on a short-term, unsecured basis in anticipation of a future issuance of more permanent, long-term equity or debt securities in order to facilitate investments, to enhance or protect the value of existing investments or otherwise in connection with an investment. However, for reasons not always in a Fund's control, such long-term securities may not be issued, and such bridge financing may remain outstanding. If that happens, the interest rate on such loans generally would not adequately reflect the risk associated with the unsecured position taken by the Fund.
- *General Cash Flow Risks.* We anticipate that certain portfolio companies will be leveraged and will likely not provide the Funds with any significant cash distributions until the underlying property is sold or refinanced. As a result, the Funds will likely not be able to make any significant cash distributions to investors from such investments other than in connection with the liquidation of such investments.
- *Cayman Islands Regulator Oversight.* Certain AIVs may be required to register and be regulated as private funds under the Private Funds Act (As Revised) (the "Private Funds Act") of the Cayman Islands. Once registered, the Cayman Islands Monetary Authority (the "Authority") will have supervisory and enforcement powers to ensure each AIV's compliance with the Private Funds Act. The Authority may take certain actions if it is satisfied that a regulated private fund is or is likely to become unable to meet its obligations as they fall due.
- *Potential Reporting Obligations.* Acquisitions by a Fund of equity securities are expected to result from time to time in reporting and compliance obligations under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the Hart-Scott-Rodino Antitrust Improvements Act of 1976, or their equivalent regimes in non-U.S. jurisdictions. In addition, a Fund will be subject to tax reporting requirements in the United States and likely in other jurisdictions. The Fund will bear the costs of compliance.
- *Disclosure of Information.* Certain investors in certain Funds are subject to state public records, similar freedom of information or other laws that compel public disclosure of confidential information regarding the Funds, their investments and their other investors, and these Funds may be required to disclose confidential information in connection with transactions.
- *Third-Party Involvement.* Funds co-invest from time to time with third parties through joint ventures or other entities. These investments involve risks in connection with such third-party involvement, including the possibility that a third-party co-investor or co-venturer has financial, legal or regulatory difficulties that negatively affect the investment, has economic or business interests or goals that are inconsistent with those of a Fund or is in a position to take (or block) action in a manner contrary to a Fund's investment objectives.

- *Uncertainty of Financial Projections.* We will generally establish the capital structure of a Fund's portfolio companies on the basis of financial projections for these companies, which in turn are normally based primarily on management judgments. In all cases, projections are only estimates of future results that rely upon assumptions made at the time that the projections are developed. There can be no assurance that a portfolio company will achieve its projected results, and actual results can vary significantly from the projections.
- *Controlling Interests and Provision of Managerial Assistance.* The designation of our professionals and/or Senior Advisors as directors and the exercise of control over a company imposes additional risks of liability for environmental damage, product defects, pension and other fringe benefits, failure to supervise management, violation of laws and governmental regulations (including securities laws) and other types of liability, for which the limited liability generally afforded to investors may be ignored. If these liabilities were to arise, a Fund may suffer a significant loss, exposing the assets of the Fund to claims by a portfolio company, its other security holders, its creditors or governmental agencies, which may exceed the value of the Fund's initial investment in that portfolio company.
- *Non-Controlling Investments.* A Fund often holds a minority of the outstanding voting interests of a portfolio company and may hold investments in derivatives, debt instruments or other securities that do not entitle the Fund to voting rights, and therefore, may have a limited ability to protect its investment in any such portfolio company. The Fund will be subject to the risk that a portfolio company it does not control, or in which it does not have a majority ownership position, may make decisions with which it disagrees, and the equity holders and management of such a portfolio company may take risks or otherwise act in ways that are adverse to the Funds' interests.
- *Risk Management; Operational Controls.* The operational controls and risk management techniques we use involve third parties over whom we do not exercise control, including outsourced providers of fund administration and custody services. There can be no assurances that we will be able to identify, prevent or mitigate the risks of engaging third-party service providers. A Fund could suffer adverse consequences from actions, errors or failures to act by such third parties, and will have obligations, including indemnity obligations, and limited recourse against them.
- *Cybersecurity Risk.* We, our service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their investors, despite our efforts and those of our service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of our computer systems, software, networks and other technology assets, as well as the security, confidentiality, integrity and availability of information belonging to the Funds and their investors.
- *Data Privacy and Security Laws.* We will endeavor to maintain systems that promote compliance with data privacy and security laws, both those adopted to date and those that may be adopted in the future, but there can be no assurance that these systems will be

effective. Failure to comply with such laws could result in significant fines, damages or restrictions on our ability to process personal information that could have a material adverse effect on the Funds.

- *Artificial Intelligence and Machine Learning Risks.* The emergence of recent technology developments in artificial intelligence and machine learning technology, including Open AI's release of its ChatGPT application (collectively, "Machine Learning Technology") could pose risks to us, the Funds and their portfolio companies. These risks could arise if we utilize Machine Learning Technology in connection with our business activities, including investment activities, or if third-party service providers of or any counterparties or competitors to the Funds, whether or not known to us, use Machine Learning Technology.
- *Environmental Matters.* The ordinary operation of, or the occurrence of an incident with respect to, a portfolio company asset could cause major environmental damage, which could result in significant financial distress to such asset or portfolio company if not covered by insurance.
- *Economic Sanctions and Anti-Corruption Considerations.* Economic sanctions laws, rules, and regulations administered or enforced by governmental authorities in the United States and other jurisdictions may prohibit us, a Fund and its portfolio companies from transacting with certain countries, individuals and companies or otherwise engaging in certain dealings.
- *Contingent Liabilities and Liabilities Upon Disposition of an Investment.* From time to time, a Fund may incur contingent liabilities in connection with an investment, which will be borne by the Fund. There can be no assurance that the Fund will adequately reserve for its contingent liabilities or that such liabilities will not have an adverse effect on the Fund. A Fund's investors may be required to return amounts distributed to them to fund obligations, including indemnity obligations.
- *Acts of God; Availability of Insurance Against Certain Catastrophic Losses.* A Fund's investments may be susceptible to the effects of "Acts of God," including earthquakes, floods, hurricanes, tropical storms, fires or other natural disasters, pandemics, electricity shortages or other similar national or local emergencies, that are beyond our control and not easily foreseeable. Certain losses of a catastrophic nature, such as those caused by wars, earthquakes, severe weather, terrorist attacks (including cyber sabotage or similar attacks) or other similar events, will be either uninsurable or insurable at such high rates that to maintain coverage would cause an adverse impact on the related investments.
- *Environmental, Social and Governance Matters.* We maintain an ESG policy, which we apply, as applicable, to the Funds' investment portfolios. The act of selecting and evaluating material ESG factors is subjective by nature, we may be subject to competing demands from different investors and other stakeholder groups with divergent views on ESG matters, including the role of ESG in the investment process, and there is no guarantee that the criteria utilized or judgment exercised by us, Y Analytics, or a third-party ESG advisor will reflect the beliefs or values, internal policies or preferred practices of any

particular investor, other asset managers or with market trends. Considering ESG factors when evaluating an investment in certain circumstances may, to the extent material risks associated with an investment are identified, cause us not to make an investment that we would have made or to make a management decision with respect to an investment differently than we would have made in the absence of such consideration, which carries the risk that the Funds may perform differently than investment funds that do not take ESG factors into account. Although we consider application of our ESG policy to be an opportunity to enhance or protect the performance of investments over the long-term, there is no guarantee that we will make investments in companies that enhance long-term value and financial returns for any investor.

- *ESG-Related Legal Developments.* There is growing regulatory interest, particularly in the United States, United Kingdom, and European Union (which may be looked to as models in growth markets), in improving transparency around how asset managers define and measure ESG performance, in order to allow investors to validate and better understand sustainability claims. Our ESG program, DEI initiatives and us could become subject to additional regulation, regulatory scrutiny, penalties and enforcement in the future, and we cannot guarantee that our current approach (including the ESG policy) or the Funds' investments will meet future regulatory requirements, reporting frameworks or best practices, increasing the risk of related enforcement.
- *Publicity Concerns and Litigation.* Certain types of investments are very much in the "public eye" and as a result a Fund's activities may attract an undesirable level of publicity for the Fund, investors and/or us. In addition, pressure groups and lobbyists may induce government action to the detriment of the Fund, as the owners of the relevant portfolio company.
- *European Sustainability-Related Disclosure and Reporting Frameworks May Lead to Increased Compliance Costs.* Funds that raise capital across one or more European Member States must comply with the EU's detailed sustainability-related disclosure regime. Compliance with frameworks of this nature may create an additional compliance burden and increased legal, compliance, governance, reporting and other costs to funds, fund managers and/or portfolio companies because of the need to collect certain information to meet the disclosure requirements.
- *Weather and Climate Risk.* While certain Funds see economic opportunities in climate change and carbon reduction, global climate change is widely considered to be a significant threat to the global economy. We cannot rule out the possibility that climate risks, including changes in weather and climate patterns, could result in unanticipated delays or expenses and, under certain circumstances, could prevent completion of investment activities once undertaken, any of which could have a material adverse effect on an investment, or a Fund.
- *Global Conflicts.* A Fund's investment strategy may permit the Fund to invest in companies that are domiciled or have significant operations globally and any ongoing or future armed conflicts could negatively impact the Fund's portfolio companies (if any) and/or their personnel or operations in those conflict zones or the regional or global

economy, which could adversely affect the performance of some or all of a Fund's investments.

- *General Business and Market Risk.* In addition to the risks highlighted in the preceding paragraphs, the investments made by a Fund involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made, changes in national or international economic and market conditions, and changes in laws, regulations, fiscal policies or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks.

## **ITEM 9 – DISCIPLINARY INFORMATION**

Except as described below, TPG does not have any legal, financial or other “disciplinary” event to report. As a registered investment adviser, TPG is obligated to disclose any legal disciplinary event that would be material to a client when evaluating the adviser’s advisory business or integrity of its management.

On December 21, 2017, without admitting or denying any wrongdoing, TPG Capital Advisors, LLC consented to the entry of an order to cease and desist from committing or causing any violations and future violations of Sections 206(2) and 206(4) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and Rules 206(4)-7 and 206(4)-8 thereunder. According to the SEC order, with respect to certain private equity funds, TPG Capital Advisors, LLC did not provide sufficient pre-commitment disclosure regarding the acceleration of otherwise authorized fees paid by its portfolio companies upon the termination of monitoring fee agreements. The order also found that TPG Capital Advisors, LLC did not adopt and implement a written compliance policy or procedure regarding the foregoing. TPG Capital Advisors, LLC agreed as part of the settlement to pay disgorgement of \$9,487,620.80 (plus prejudgment interest of \$361,507.99) to limited partners of certain private equity funds and a civil monetary penalty of \$3,000,000 to the SEC.

In the ordinary course of business, TPG and its affiliates are parties to litigation, investigations, inquiries, employment-related matters, disputes and other potential claims. Additional information regarding such matters is from time to time also disclosed in public filings with the SEC for the Public Company (see <https://shareholders.tpg.com/financial-information/sec-filings>).

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

*TPG Capital BD, LLC.* Our affiliate TPG BD is a broker-dealer registered with the SEC and a member of FINRA.

For a description of compensation TPG BD and other affiliates receive and material conflicts of interest created by our relationships with TPG BD, please see Item 11 below.

*Other Investment Advisers.* The following investment advisers are related persons of ours:

- TPG Global Advisors, LLC;

- TPG PEP Advisors, LLC;
- TPG RE Finance Trust Management, L.P.;
- TPG Real Estate Advisors, LLC;
- TPG Solutions Advisors, LLC;
- Angelo, Gordon & Co., L.P.; and
- AGTB Fund Manager, LLC,

along with their respective relying advisers.

For a description of material conflicts of interest created by the relationship among us and our affiliated advisers, as well as a description of how such conflicts are addressed, please see Item 11 below.

*General Partners of Capital Advisors Vehicles.* Various entities serve as general partners of the Capital Advisors Vehicles, and are our related persons. For a description of material conflicts of interest created by the relationship among us and the general partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### ***Code of Ethics***

We have adopted a comprehensive Code of Ethics that is applicable to, among others, all of our officers and employees, certain temporary personnel and certain of our affiliates and their officers and employees (collectively, “Capital Advisors Personnel”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Advisers Act, establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations.

Subject to any restrictions and/or terms set forth in our Code of Ethics, Capital Advisors Personnel and their families and households will from time to time purchase investments for their own accounts, including the same or similar types of investments as may be purchased or sold by a Capital Advisors Vehicle. The Code of Ethics generally permits such transactions only if

- the transaction is “pre-cleared” by our Chief Compliance Officer or his/her designee; or
- the transaction is exempt from pre-clearance under the Code of Ethics.

The investment policies, fee arrangements and other circumstances of these personal investments often vary from those of the Capital Advisors Vehicles. As our officers, principals and employees typically also make investments in or alongside the Capital Advisors Vehicles, they have conflicting interests with respect to these investments.

Under the Code of Ethics, Capital Advisors Personnel also are required to file certain periodic reports with the Chief Compliance Officer or his/her designee as required by Rule 204A-1 under the Advisers Act. The records of any such trades by Capital Advisors Personnel will not be open to inspection by investors. Our management may from time to time implement additional internal policies or restrictions on trading by Capital Advisors Personnel and their family/household that are in addition to the requirements of our Code of Ethics.

We will provide a copy of the Code of Ethics to any Capital Advisors Vehicle or prospective client upon request.

### ***Participation or Interest in Client Transactions; Related Person Investments***

Please see “*Conflicts of Interest*” below for information regarding circumstances in which we or a related person

- recommends to Capital Advisors Vehicles, or buys or sells for Capital Advisors Vehicles’ accounts, securities in which we or a related person has a material financial interest;
- invests in the same securities that we or a related person recommends to Capital Advisors Vehicles;
- recommends securities to Capital Advisors Vehicles, or buys or sells securities for Capital Advisors Vehicle accounts, at or about the same time that we or a related person buys or sells the same securities for our own (or the related person’s own) account; and
- encounters related conflicts of interest.

### ***Conflicts of Interest***

As discussed further below, we and our related entities engage in a broad range of activities, including pursuing investments for the Funds, other investment funds and other accounts and providing investment advisory, broker-dealer and other related services to these funds, other accounts and their portfolio companies.

We have a number of related investment advisers (including those advisers listed in Item 10 and their relying advisers) that focus primarily on different investment strategies (collectively, the “Related Advisers”), although such investment strategies overlap with ours from time to time. We refer to the funds and accounts managed by the Related Advisers as the “Related Funds.”

In the ordinary course of conducting its activities, the interests of a Capital Advisors Vehicle will from time to time conflict with our interests and those of

- other Capital Advisors Vehicles;
- Related Funds;
- Related Advisers; and

- the affiliates of the foregoing.

We describe below certain of these actual, potential or apparent conflicts of interest and how we intend to manage them.

### Resolution of Conflicts

When conflicts arise between a Capital Advisors Vehicle and another Capital Advisors Vehicle or a Related Fund, we will seek to resolve the conflict or represent the interests of such Capital Advisors Vehicle, respectively, and the applicable Related Adviser will represent the interests of the Related Fund. In addressing conflicts, we and the other Related Adviser, as applicable, will consider various factors, including the interests of such Capital Advisors Vehicle, the other Capital Advisors Vehicle and the Related Fund, as applicable, in the context of both the immediate issue at hand and the longer-term course of dealing among such Capital Advisors Vehicle and the Related Fund. In the case of all conflicts involving a Capital Advisors Vehicle, our determination as to which factors are relevant, and the attempted resolution of such conflicts, will be made in our sole discretion.

The following may help mitigate potential or actual conflicts of interest:

- a Capital Advisors Vehicle will not make any investment unless we and the Capital Advisors Vehicle's general partner believe that such investment is an appropriate investment considered from the viewpoint of such Capital Advisors Vehicle;
- many important conflicts of interest may be resolved pursuant to set procedures, restrictions or other provisions contained in the relevant Governing Documents for the Capital Advisors Vehicles;
- the advisory committee for certain Capital Advisors Vehicles, whose members are not affiliated with the general partner of the Capital Advisors Vehicle, generally play an important role in resolving conflicts of interest by, for example, overseeing certain activities that could give rise to conflicts of interest or approving or consenting to decisions that involve certain conflicts of interest referred to it by the Capital Advisor Vehicle's general partner in accordance with the relevant Governing Documents;
- when we deem it appropriate in our sole discretion, unaffiliated third-party service providers will be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price. In addition, the willingness of a third-party investor to make an investment on the same or similar terms as a Capital Advisors Vehicle may demonstrate the fairness of the transaction to such Capital Advisors Vehicle;
- prior to subscribing for interests in a Fund, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund; and
- in certain circumstances, we erect temporary or permanent information barriers to restrict the transfer of non-public information between business units.



While we endeavor to resolve all conflicts in a fair and impartial manner, there can be no assurance that our own interests will not influence our conduct and decisions. There can be no assurance that we will identify or resolve all conflicts in a manner that is favorable to the Capital Advisors Vehicles and the Capital Advisors Vehicles' investors may not, subject to any requirements set forth in a Capital Advisors Vehicle's Governing Documents, be entitled to receive notice or disclosure of the actual occurrence of conflicts or have any right to consent to them as they arise.

### Potential Conflicts of Interest

The material conflicts of interest that a Capital Advisors Vehicle encounters include those discussed below and elsewhere in this brochure. The following summary is not intended to be an exhaustive list of all actual, potential, or apparent conflicts or their potential consequences. Identifying potential conflicts of interest is complex and fact-intensive, and it is not possible to foresee every conflict of interest that will arise during a Capital Advisors Vehicle's life. In particular, we expect in the future to identify additional conflicts of interest that currently are not apparent to us or the broader alternative investments industry, as well as conflicts of interest that arise or increase in materiality as we develop new investment platforms or business lines and otherwise adapt to dynamic markets and an evolving regulatory environment. Moreover, we are an affiliate of the Public Company and we and our personnel have duties or incentives related to the interests of the Public Company's stockholders that could differ from, and that could conflict with, the interest of Capital Advisors Vehicles and their investors. Accordingly, as a consequence of the Public Company's status as a public company, we and our personnel may take into account certain considerations and other factors in connection with the management of the business and affairs of a Capital Advisors Vehicle that would not necessarily be taken into account if the Public Company were not a public company.

To the extent we identify conflicts of interest in the future, we may, but assume no obligation to, disclose these conflicts and their implications to investors in Capital Advisors Vehicles through a variety of channels, including in subsequent brochures or in other written or oral communications to a Fund's advisory committee or investors more generally.

### *Principal Transactions*

Section 206 of the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the investment adviser's clients, on the other. The Advisers Act generally requires that, when an investment adviser or its affiliate proposes to purchase a security from, or sell a security to, an advisory client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent.

In connection with our management of the Capital Advisors Vehicles, we and/or the Capital Advisors Vehicles may, in certain limited circumstances, engage in principal transactions, as described below.

Also, from time to time, our affiliates or those of the Related Advisers, who control, are controlled by or are under common control with us, the Related Advisers and/or our respective affiliates, may provide seed capital to a new Fund. In doing so, we, the Related Advisers and/or our respective

affiliates may purchase securities that are later transferred into the Fund in exchange for a percentage ownership in such Fund. We review such transactions with outside counsel in an effort to ensure that we comply with the requirements of Section 206(3) of the Advisers Act in respect of principal transactions.

We have established certain policies and procedures reasonably designed to comply with the requirements of the Advisers Act as they relate to principal transactions, including that the requisite disclosures be made to the applicable Capital Advisors Vehicle regarding any proposed principal transactions, if required by the Advisers Act or applicable law, and the Capital Advisors Vehicle's prior consent to the transaction be received. In addition, the Governing Documents relating to the Capital Advisors Vehicles typically contain additional restrictions on our ability or that of the Capital Advisors Vehicles to engage in principal transactions and disclosures regarding principal transactions that are likely to arise in the operations of Capital Advisors Vehicles.

#### *Participation of TPG BD and Related Entities in Capital Markets Activity*

We leverage our internal expertise and infrastructure in structuring and executing a wide array of capital markets transactions across TPG, including those involving existing, prospective and former portfolio companies (including their affiliates and related entities such as holding companies, subsidiaries and TPG-sponsored continuation vehicles). Examples of the ways in which we deploy our capital markets expertise include but are not limited to:

- structuring, executing and at times underwriting initial public offerings, follow-on primary offerings and secondary offerings (including “block trades”) and private placements of equity securities;
- structuring, executing and at times underwriting high yield and other bond offerings;
- structuring, arranging and placing interests in loans, credit facilities, asset-based facilities, securitizations and similar debt instruments;
- structuring and arranging amendments to existing securities, credit facilities and other instruments;
- structuring and implementing interest rate, foreign exchange and other hedging or derivative strategies;
- structuring and executing other similar transactions to finance the Fund's acquisition of a portfolio company or to enable the Fund to monetize its interest in a portfolio company, including the syndication of a TPG-sponsored continuation vehicle or co-investment;
- providing capital markets advice with respect to any of the foregoing transactions; and
- providing any other capital markets services that a third party may render to or with respect to an existing, prospective or former portfolio company and/or their affiliates or related entities.

We expect the types of capital markets services we provide to evolve in light of market developments and industry trends.

Our registered broker-dealer TPG BD and related entities typically receive compensation for the services we provide in connection with capital markets activities, including but not limited to those listed above. The compensation may take a variety of forms, including, for instance, a portion of the commission or discount paid to the investment banks that underwrite a securities offering, a fee for arranging the syndication or placement of debt financing or an advisory fee for facilitating the efficient execution by a Capital Advisors Vehicle of a “block trade” or other secondary sale to monetize its direct or indirect interest in a pre-IPO or publicly traded portfolio company. Depending on the nature of the transaction, the Capital Advisors Vehicle, the portfolio company, TPG-sponsored continuation vehicles, Co-Investment Vehicles or other parties to the transaction will pay the fee to TPG BD and/or a related entity. Where legal and regulatory circumstances permit, including outside the United States, other TPG affiliates may perform such capital markets services and receive compensation for the provision of such services. Any compensation we receive for providing capital markets services will not, in accordance with the Governing Documents, offset the management fee or require the approval of the advisory committee. We intend to disclose annually to investors in the applicable Capital Advisors Vehicles the amount of compensation we receive for capital markets services rendered in respect of Capital Advisors Vehicles’ portfolio companies.

While we believe that our internal capital markets capabilities help maximize value for our funds, our ability to utilize TPG BD or a related entity in connection with the foregoing transactions gives rise to conflicts of interest. In general, we have an incentive to retain, or to exercise our control or influence over a portfolio company’s management team so that it retains TPG BD (or a related entity) or otherwise transacts with TPG BD (or a related entity) instead of other unaffiliated broker-dealers or counterparties. For instance, TPG BD, (or a related entity) could take the place of another investment bank in the syndicate underwriting a securities offering or act as the sole or lead financial institution on a transaction instead of a third-party bank. When involved in a particular transaction, TPG BD (or a related entity) has the incentive to seek higher fees or other favorable terms from the Capital Advisors Vehicle, the portfolio company or other counterparties, as well as to structure a transaction so that it benefits certain investors in the Capital Advisors Vehicles or other third parties that are of strategic importance. For example, TPG BD could influence the placement of portfolio company securities or debt instruments so that investors who are sizeable investors in multiple Capital Advisors Vehicles or Related Funds or who pay TPG BD a placement fee receive an allocation ahead of others. TPG BD could likewise place such securities or instruments with another Capital Advisors Vehicle or Related Fund or vehicle, which would give rise to similar and additional conflicts. To the extent that our capital markets personnel face competing demands for their time and attention, we have an incentive to devote our limited capital markets resources to portfolio companies and transactions that would generate the highest fee for TPG BD (or related entities) or otherwise benefit us. TPG employees who provide capital markets services are under no obligation to prioritize the interests of a particular Capital Advisors Vehicle or its investors in determining how to allocate their time across various projects within TPG.

TPG BD acts as placement agent in respect of investment funds that are sponsored and managed by third-party investment managers, including funds that may compete with the Capital Advisors Vehicles. In providing such services to, or with respect to, a competitor fund or company, TPG BD will not take into consideration the interests of the relevant portfolio companies or the Capital Advisors Vehicles.

We generally will evaluate any capital markets transactions on a case-by-case basis to address any such conflicts. Transactions involving a Capital Advisors Vehicle and TPG BD are also reviewed with regard to the appropriateness of the transaction and any fiduciary obligations.

### *Financings by TPG*

Subject to the express provisions of a Capital Advisors Vehicle's Governing Documents, we or one of our affiliates are permitted to act as lender to a Capital Advisors Vehicle, including to enable a Capital Advisors Vehicle to make investments. For example, this type of lending may arise to the extent that a Capital Advisors Vehicle has not established a subscription facility or a Capital Advisors Vehicle is not able to incur sufficient borrowings under a subscription facility to make an investment.

If we or our affiliate participate as a lender in borrowings by a Capital Advisors Vehicle or any subsidiary (including an investment entity), our interests may conflict with the interests of the Capital Advisors Vehicle or the applicable investments. In this situation, a Capital Advisors Vehicle's assets may be pledged to such TPG entity as security for the loan. In its capacity as a lender, the relevant TPG entity may act in its own interest, without regard for the interests of a Capital Advisors Vehicle, the investments or the investors, which may materially and adversely affect a Capital Advisors Vehicle, any subsidiary or investment entity and, in certain circumstances such as an event of default, ultimately may result in realization of a Capital Advisors Vehicle's or an investment's assets and a loss of the entire investment of the investors. In addition, if we or any of our affiliates are a party to a transaction or an agreement with a Capital Advisors Vehicle or an investment to provide services or financing to a Capital Advisors Vehicle or such investment or is a lender to a Capital Advisors Vehicle or any of its investments, we will have the sole right to, through or on behalf of a Capital Advisors Vehicle, either (i) take any action to implement the agreement, enforce any provisions thereof or any rights of a Capital Advisors Vehicle thereunder, terminate the agreement pursuant to any right of termination provided in such agreement, give required notices or give or make any approval, consent, decision or waiver under such agreement or (ii) nominate a third party to approve any action or inaction to be taken with respect to any such related party transaction or agreement.

### *Third-Party Placement Agents*

We from time to time enter into arrangements with third parties to raise capital for a Capital Advisors Vehicle. Such third-party placement agents will likely receive placement fees and/or other compensation (the "Fees") for providing solicitation and other services with respect to certain investors that invest directly and/or indirectly in a Capital Advisors Vehicle, and such Fees are generally based upon the size of an investor's capital commitment to a Capital Advisors Vehicle, although such Fees also have the potential to include flat fees and bonuses. The Fees typically are expected to be paid by an affiliate of the applicable general partner. As a result of the Fees,

placement agents have a significant economic incentive to solicit investors to invest in the Capital Advisors Vehicles, resulting in a material conflict of interest. Placement agents also seek to do business with and earn fees or commissions from the general partners and/or their affiliates, as well as with other third-party fund sponsors that may have similar or different investment objectives from the Capital Advisors Vehicles. Examples of such business include placement, underwriting, investment banking, lending, consulting, advisory, valuation, personal banking and/or asset management. Accordingly, potential investors should recognize that a placement agent's participation as placement agent for interests in a Capital Advisors Vehicle potentially will be influenced by its interest in such current or future fees and commissions, including differentials in the placement fees that are offered by us or other third-party fund sponsors for which the placement agent acts as placement agent. We also reserve the right to allow placement agents and their personnel to invest in a Capital Advisors Vehicle, Related Funds and/or their respective portfolio companies, including on preferential economic terms, which gives rise to potential conflicts of interest.

#### *Allocation of Investment Opportunities*

We engage in a broad range of investment and advisory activities for our own account and for the accounts of investment funds. In connection with these activities, investment opportunities will arise that fall within the investment objectives or strategies of two or more Capital Advisors Vehicles or Related Funds. We therefore expect to encounter situations in which we must determine how to allocate investment opportunities among various Capital Advisors Vehicles and other persons, which typically include the following:

- the Funds and Related Funds;
- any Co-Investment Vehicles formed to invest side-by-side with one or more Funds in particular transactions entered into by such Funds or for the purpose of pursuing a specific investment strategy. The investors in such Co-Investment Vehicles typically include individuals and entities that are also investors in one or more Funds (which we refer to collectively as “Capital Advisors Investors”) and/or individuals and entities that are not investors in any Funds;
- Capital Advisors Investors and/or third parties that wish to make direct investments side-by-side with one or more Capital Advisors Vehicles in particular transactions; and
- Capital Advisors Investors and/or third parties acting as “co-sponsors” with us with respect to a particular transaction.

In addition, we and our related persons expect to form, sponsor or acquire in the future additional investment funds, separate accounts or other investment vehicles with investment objectives or strategies substantially similar to, or different from, those of the current Capital Advisors Vehicles, including additional hedge funds, credit funds, collateralized loan obligation issuers, infrastructure funds, life sciences funds, emerging market funds and other regional or sector-focused vehicles. With every new fund, vehicle or account that we form or acquire, there is an increased likelihood of overlapping investment objectives. In addition, overlaps with us and/or our affiliates' strategic transactions or investments may arise.

In addition, a successor fund limitation in the Governing Documents does not prohibit, restrict or otherwise limit us in any way from engaging in strategic transactions on our own behalf, including the investment in, acquisition of, or combination with, other investment platforms, including investment platforms that sponsor, manage or advise funds, vehicles or accounts with investment mandates that are the same as, or similar to, a Capital Advisors Vehicle's investment mandate. Any such funds, vehicles or accounts managed, sponsored or advised by us as a result of any such strategic transaction (including predecessor and successor funds; vehicles, co-investing funds, side cars and separate accounts related to any of them; and successors to all of these entities), regardless of whether such strategic transaction occurs prior to, during or after a Capital Advisors Vehicle's commitment period, would typically be excluded from a Capital Advisors Vehicle's successor fund limitation.

The Capital Advisors Vehicles and Related Funds are generally subject to contractual investment allocation requirements, such as "duty to offer" provisions or clauses stipulating a specified allocation for certain types of investments. Many, though not all, Capital Advisors Vehicles and Related Funds have "duty to offer" provisions, and these provisions are customized for each Capital Advisors Vehicle and Related Fund in light of its mandate. For example, the "duty to offer" provisions of some Capital Advisors Vehicles and Related Funds have a geographic or industry focus. These provisions typically carve out certain types of investment opportunities, including follow-on investments or dispositions by other Capital Advisors Vehicles or Related Funds and overlap situations as described below. In certain cases, these "duty to offer" provisions will give a Capital Advisors Vehicle or Related Fund contractual priority over certain investments even though such investments may fall within the "duty to offer" provisions or investment objectives of other Capital Advisors Vehicles or Related Funds. We refer to these contractual investment allocation requirements, which are typically set forth in the Governing Documents of the Capital Advisors Vehicles and Related Funds, as the "Investment Allocation Requirements."

When making allocation decisions, we are guided by our contractual obligations to the Capital Advisors Vehicles and Related Funds, as well as our allocation procedures and principles. For each allocation decision, we first apply the relevant Investment Allocation Requirements. Historically, applying the Investment Allocation Requirements has tended to result in the identification of a single Capital Advisors Vehicle or Related Fund to pursue an investment opportunity. That is, we often conclude that an investment opportunity falls within the "duty to offer" of a single Capital Advisors Vehicle or Related Fund and not any other Capital Advisors Vehicle or Related Fund, based on it being suitable for, and satisfying the other "duty to offer" criteria of, that Capital Advisors Vehicle alone.

A Capital Advisors Vehicle's Governing Documents may not impose on us a "duty to offer" to a Capital Advisors Vehicle any potential investment opportunity, meaning we have no obligation to pursue through the Capital Advisors Vehicle (as opposed to another Capital Advisors Vehicle or Related Fund or TPG and/or its affiliates) an opportunity that fits within a Capital Advisors Vehicle's investment objective. If we determine that an opportunity is suitable in whole or in part for one or more other Capital Advisors Vehicles and/or Related Funds, we may offer that opportunity to such other Capital Advisors Vehicle(s) and/or Related Fund(s) before offering it to a Capital Advisors Vehicle, and such Capital Advisors Vehicle will participate only after such other Capital Advisors Vehicle(s) and/or Related Fund(s) have received its or their suitable and/or contractually required allocations, as determined by us in our sole discretion. In addition, we may

determine that an investment is suitable for another Capital Advisors Vehicle and/or Related Fund, taking into account the investment objectives or other relevant provisions of the limited partnership or equivalent agreement or marketing materials of such Capital Advisors Vehicle and/or Related Fund, even where such other Capital Advisors Vehicle and/or Related Fund does not have a contractual “duty to offer” with respect to such investment. Similarly, we may determine that an investment in a portfolio company should be made on behalf of TPG or its affiliates (for their own account), or would be more appropriate as a business combination with TPG or its affiliates, even where such investment is suitable for a Capital Advisors Vehicle (see “*Strategic Transactions*”). In certain instances, we expect that certain TPG personnel or their related family offices, estate planning structures, trusts, foundations, charitable programs or similar arrangements will source investment opportunities that may be appropriate for a Capital Advisors Vehicle, but will have no duty to offer such investments to the Capital Advisors Vehicle.

Accordingly, investment opportunities allocated to a Capital Advisors Vehicle will generally be those that satisfy the investment objective of the Capital Advisors Vehicle and that we conclude are: (i) sourced by a member of a Capital Advisors Vehicle’s team; (ii) more appropriate for a Capital Advisors Vehicle than another Capital Advisors Vehicle or Related Fund; (iii) too large for another Capital Advisors Vehicle or Related Fund to make on its own, in which case a Capital Advisors Vehicle could be offered the opportunity to co-invest alongside such other Capital Advisors Vehicle or Related Fund; (iv) too small for another Capital Advisors Vehicle or Related Fund, in which case the entire opportunity could be offered to a Capital Advisors Vehicle; and/or (v) otherwise not suitable for other Capital Advisors Vehicles or Related Funds or TPG, given factors that could include, for example, those set forth below, in which case a Capital Advisors Vehicle could pursue the entire opportunity by itself or alongside other Capital Advisors Vehicles and/or Related Funds with overlapping strategies, or alongside TPG, its affiliates, and any of their family offices, estate planning structures, trusts, foundations, charitable programs or similar arrangements. We have significant discretion in allocations of investments to the Capital Advisors Vehicles, and as a result of other Capital Advisors Vehicles’ and/or Related Funds’ priority rights, a Capital Advisors Vehicle likely will not be offered the opportunity to participate in certain investment opportunities, and participation by a Capital Advisors Vehicle in such opportunities may be limited or curtailed to the extent required by the priority rights of such other Capital Advisors Vehicles and/or Related Funds. In addition, our allocation of investment opportunities among a Capital Advisors Vehicle and the other Capital Advisors Vehicles, Related Funds and TPG and/or its affiliates potentially will result in the allocation of all or none of an investment opportunity to a Capital Advisors Vehicle (including in connection with follow-on investments), or a disproportional allocation among a Capital Advisors Vehicle and other Capital Advisors Vehicles and/or Related Funds and/or TPG and its affiliates, with such allocations being less advantageous to a Capital Advisors Vehicle relative to other Capital Advisors Vehicles and/or Related Funds and/or TPG and its affiliates. As described in “*Conflicts Arising from Other Investment Activities of the Capital Advisors Vehicles and Related Funds – Walled-Off Businesses*,” certain Related Advisers are on the other side of a permanent information barrier from us, and a Capital Advisors Vehicle generally will not be allocated any opportunity sourced by such Related Advisers.

Depending on the circumstances, any suitable investment opportunities could be (i) allocated entirely to a Capital Advisors Vehicle, (ii) allocated entirely to another Capital Advisors Vehicle and/or Related Fund, (iii) shared between a Capital Advisors Vehicle and one or more Capital

Advisors Vehicles and/or Related Funds, including co-investors or (iv) allocated entirely or partially to TPG and/or its affiliates.

In certain circumstances, which have grown in frequency as we have developed and acquired both new and existing investment platforms, neither the “duty to offer” provision of the Governing Documents nor the provisions in the Capital Advisors Vehicles and/or Related Funds’ documents will be determinative. For example, a Capital Advisors Vehicle’s “duty to offer” provision might carve out any investment opportunity that should be presented to another Capital Advisors Vehicle and/or Related Fund in accordance with its investment objectives or the “duty to offer” or other relevant provisions of its Governing Documents or marketing materials (including Capital Advisors Vehicles and/or Related Funds that do not themselves have a “duty to offer”). In these cases, we allocate the investment opportunity in accordance with our contractual obligations and/or allocation principles. These principles reflect factors that we determine in good faith to be fair and reasonable. Factors we currently expect to consider include, but are not limited to:

- the investment focuses and objectives of the relevant Capital Advisors Vehicles and Related Funds (e.g., investment strategy, asset class, industry focus, control orientation, etc.);
- the professionals who sourced the investment opportunity;
- the professionals who are expected to oversee and monitor the investment;
- transaction dynamics, including dynamics with the management team of the relevant investment (e.g., whether the management team of the investment indicates a preference for a strategic transaction with certain of our personnel or platforms);
- the expected amount of capital required to make the investment as well as the relevant Capital Advisors Vehicles’ and Related Funds’ current and projected capacity for investing (including for any potential follow-on investments or warehouse vehicles or arrangements);
- the relevant Capital Advisors Vehicles’ and Related Funds’ targeted rate of return and investment holding period;
- expected cash characteristics (such as cash-on-cash yield, distribution rates or volatility of cash flows);
- the stage of development of the prospective portfolio company;
- the existing portfolio of investments of the relevant Capital Advisors Vehicles and Related Funds;
- the investment opportunity’s risk profile;
- portfolio diversification and concentration concerns (including, but not limited to (i) allocations necessary for the Capital Advisors Vehicles and Related Funds to maintain a particular concentration in a certain type of investment (e.g., if a Capital Advisors Vehicle



or Related Fund follows a liquid strategy pursuant to which it sells a type of investment more or less frequently than another Capital Advisors Vehicle and such Capital Advisors Vehicle or Related Fund needs a non-pro rata additional allocation to maintain a particular concentration in that type of investment) and (ii) whether the Capital Advisors Vehicles or Related Funds already have desired exposure to the investment, sector, industry, geographic region or markets in question);

- the expected life cycle of the relevant Capital Advisors Vehicles and Related Funds and duration of commitment period;
- any relevant investment targets or restrictions (e.g., industry, concentration, etc.) for the relevant Capital Advisors Vehicles and Related Funds;
- investment target sizes for the Capital Advisors Vehicles and Related Funds, including any predetermined maximum and minimum investment sizes for the Capital Advisors Vehicles and Related Funds;
- the ability of the relevant Capital Advisors Vehicles and Related Funds to accommodate the desired terms of the transaction and/or the structural, timing and other aspects of the investment or the investment process;
- the ability of the Capital Advisors Vehicles or a Related Funds to employ leverage, hedging, derivatives or other similar strategies in connection with acquiring, holding, disposing of or otherwise realizing upon the particular investment opportunity, and any requirements or other terms of any existing leverage facilities;
- investment excuse rights and other investment restriction-related rights specific to investors in the Capital Advisors Vehicles and Related Funds;
- the currency denomination of the Capital Advisors Vehicles and Related Funds, as well as the currency denomination of the applicable investment; and
- legal, tax, contractual, regulatory or other considerations that we deem relevant (including the terms, conditions and other considerations of any exemptive relief from the SEC applicable to any Capital Advisors Vehicles or Related Funds and/or board of director determinations with respect to any Capital Advisors Vehicles or Related Funds).

The relevance of each allocation principle will vary from investment opportunity to investment opportunity, and in some cases, one single factor will outweigh the others. While we seek to apply a generally consistent framework and approach, the facts and circumstances of each allocation decision remain determinative. There is no obligation for us to consider all such allocation principles in connection with the allocation of any given investment opportunity.

In addition, we expect our allocation principles, and procedures more generally, to change over time, including during a Capital Advisors Vehicle's commitment period. For example, we have and could continue to establish allocation criteria to apply more mechanically to particular categories of investments. We do not intend to notify investors of any changes we make to our allocation policies, procedures or principles.

TPG has established a committee which we refer to as the “Allocation Committee,” to apply our allocation principles and make allocation decisions in situations where the investment interests of multiple Capital Advisors Vehicles or Related Funds overlap. The current composition of the Allocation Committee includes senior TPG professionals representing major investment platforms, with the exception of platforms on the other side of a permanent information barrier (see “*Conflicts Arising from Other Investment Activities of the Capital Advisors Vehicles and Related Funds – Walled-Off Businesses*”) and TPG as a whole. We expect the Allocation Committee’s composition and role, if any, in the allocation process to evolve over time.

The application of our allocation principles is a fact-intensive exercise. While we base our allocation decisions on the information available to us at the time, this information could prove, in retrospect, to be incomplete or otherwise flawed. Furthermore, the weight we ascribe to certain considerations will evolve over time in response to, among other things, changes in market conditions, the competition we face for investments and the mix of opportunities available to the Capital Advisors Vehicles. The Allocation Committee makes allocation determinations based solely on its expectations at the time investments are made, however investments and their characteristics may change and there can be no assurance that an investment that is not allocated to a Capital Advisors Vehicle may prove to have been more suitable for another Capital Advisors Vehicle or Related Fund in hindsight. Additionally, because the Capital Advisors Vehicles and other Related Funds are advised by different personnel that may have differing views regarding the attractiveness of a particular investment, the Capital Advisors Vehicles are expected from time to time to decline to pursue an investment that is then pursued by another Related Fund, us and/or our affiliates or vice versa. The allocation of opportunities requires us to make subjective judgments. Any such judgments and their application involve inherent conflicts and risks that assumptions regarding investment opportunities will not ultimately prove correct and accordingly, there can be no assurance that our subjective judgments will prove correct in hindsight.

In making an allocation decision, additional potential conflicts of interest are expected to arise. Specifically, because the Capital Advisors Vehicles and Related Funds have different fee, expense and compensation structures, we have an incentive to allocate an investment opportunity to the Capital Advisors Vehicle or Related Fund that would generate a higher fee or more carried interest. In addition, our professionals will generally participate indirectly in investments made by Capital Advisors Vehicles in which they invest (see “*Conflicts Arising from Interests of Our Professionals in the Capital Advisors Vehicles and Related Funds*”). We do not explicitly take such considerations into account in making allocation decisions and expect that our procedures and principles will help mitigate the risk that these incentives implicitly influence our allocation decisions.

An allocation decision could result in a single Capital Advisors Vehicle or Related Fund being allocated an entire investment opportunity, or in multiple Capital Advisors Vehicles and/or Related Funds sharing an investment opportunity. Allocating all or any portion of an investment opportunity to, for example, a Related Fund instead of a Capital Advisors Vehicle will reduce the amount available to the Capital Advisors Vehicle for investment. In certain cases, a Capital Advisors Vehicle would likely decline to pursue an investment opportunity if it determines its allocation is too small to be appropriate for it.

We, a Capital Advisors Vehicle and/or a Related Fund from time to time invest in the securities offerings of a portfolio company held by another Capital Advisors Vehicle or a Related Fund (including through initial public offerings), which would result in us and/or a Capital Advisors Vehicle receiving an allocation of portfolio company securities. In addition to potential conflicts of interest arising from the allocation of such securities, this arrangement also leads to similar conflicts described below, among other places, under “*Conflicts Related to Investing in Different Levels of the Capital Structure.*”

Even when we determine that all or part of an investment opportunity should be allocated to a particular Capital Advisors Vehicle or Related Fund, the Governing Documents of certain Capital Advisors Vehicles allow us, in our complete discretion and notwithstanding our other allocation principles, to offer to other Capital Advisors Vehicles, Related Funds or co-investors a certain amount of the portion of such opportunity allocated to such Capital Advisors Vehicle. This right is separate from and in addition to our ability to allocate co-investment from “overage” after the Capital Advisors Vehicle receives its appropriate allocation. We typically are able to exercise this right in a variety of ways, including on a deal-by-deal or more systematic basis. If we elect to exercise this right with respect to any investment opportunity, we could be awarding the other Capital Advisors Vehicles or Related Funds (and their respective investors) or co-investors greater exposure to the investment than they would otherwise receive. Such Capital Advisors Vehicles, Related Funds or co-investments may generate more fees, carried interest or other compensation than we would have received from the Capital Advisors Vehicle to which the investment opportunity should be allocated.

From time to time, we expect to determine final allocations among Capital Advisors Vehicles and/or Related Funds only after certain expenses or other amounts have already become due and payable. In these circumstances, a Capital Advisors Vehicle would be expected initially to bear the full amount of an upfront payment or expense, even if another Capital Advisors Vehicle or Related Fund ultimately participates in the investment. In such a circumstance, the other Capital Advisors Vehicle or Related Fund generally would reimburse the Capital Advisors Vehicle for its proportionate share of such payment or expense when we determine the final allocation of the investment opportunity among the Capital Advisors Vehicle and the other Capital Advisors Vehicle or Related Fund, potentially without interest. Prior to a final allocation decision, we or an affiliate thereof may enter into a purchase and sale agreement in connection with the acquisition of an investment. After a final allocation decision, the initial party may assign all or any portion of such purchase and sale agreement to one or more Capital Advisors Vehicles. In addition, we may alter a prior allocation determination in order to take into account a change in facts. For example, a Capital Advisors Vehicle is permitted to syndicate a potential co-investment after closing and other Capital Advisors Vehicles and Related Funds have similar rights. In the event that a Capital Advisors Vehicle or a Related Fund fails to syndicate a potential co-investment, we are permitted to re-allocate the portion of the investment that was not syndicated, and any such re-allocation may involve a transfer, a purchase or sale of such an investment between a Capital Advisors Vehicle and another Capital Advisors Vehicle and/or a Related Fund without approval of any advisory committee.

From time to time, certain investment opportunities involve interests in portfolio companies of one or more Capital Advisors Vehicles that are part of a restructuring or similar transaction. In such instances, investors in the Capital Advisors Vehicles involved in such a transaction are typically

given priority rights to roll over their existing interests or otherwise reinvest in such investment opportunities (for instance, through a newly formed “continuation fund”). As a result, other Capital Advisors Vehicles may not be allocated all or any portion of such an investment opportunity, even if such opportunity falls within a Capital Advisors Vehicle’s investment objectives or strategy.

We may share appropriate sale and other exit and liquidity opportunities among the Capital Advisors Vehicles and Related Funds in a manner we believe is fair and reasonable in accordance with applicable allocation policies (which may result in a Capital Advisors Vehicle not participating in all or a portion of any such opportunity or in a smaller portion of any such opportunity).

TPG organizes and sponsors separate public investment vehicles whose purpose is to make a single investment (each such vehicle, a “Special Purpose Acquisition Company”). TPG typically acquires “founder” shares and occasionally other securities of such Special Purpose Acquisition Companies. Any return or other amounts TPG earns with respect to those securities or otherwise as sponsor of a Special Purpose Acquisition Company will not reduce the management fees or carried interest payable by any Capital Advisors Vehicles. As Special Purpose Acquisition Companies are organized when certain Capital Advisors Vehicles have active investment periods, they may raise conflicts of interest similar to those that arise among Capital Advisors Vehicles and Related Funds, including with respect to the allocation of investment opportunities and expenses. For example, a Special Purpose Acquisition Company could invest in an opportunity a Capital Advisors Vehicle initially considered and may therefore benefit from the Capital Advisors Vehicle’s prior diligence, potentially without any corresponding obligation to reimburse the applicable Capital Advisors Vehicle for the cost of the diligence or related expenses. In addition, a TPG-sponsored Special Purpose Acquisition Company may acquire or combine with a portfolio company of a Capital Advisors Vehicle (assuming the receipt of any necessary approvals under the Governing Documents of the applicable Capital Advisors Vehicles).

As described herein, TPG’s founders and certain other senior personnel have established family offices (each, a “Family Office” and collectively the “Family Offices”) to provide investment advisory and other services to their respective family accounts (including certain charitable accounts) in connection with their personal investment activities. Certain firms considered Family Offices for this purpose may also provide services to other third-party clients. The investment activities of the Family Offices and the involvement of TPG’s founders and other senior personnel in these activities give rise to potential conflicts between the personal financial interests of such personnel and the interests of Capital Advisors Vehicles. For example, a Family Office could make an investment that falls within a Capital Advisors Vehicle’s investment objectives, could invest in a company in which a Capital Advisors Vehicle also holds an interest (which may be at a different level of the company’s capital structure), could invest in a company that competes or has another business relationship with a portfolio company of a Capital Advisors Vehicle, or could otherwise engage in an activity that would be inconsistent with the interests of TPG, a Capital

Advisors Vehicle, or a portfolio company. While we seek to mitigate certain of these potential conflicts of interest, our efforts will not necessarily reduce or eliminate them.

### *Allocation of Co-Investment Opportunities*

From time to time, we have the option to offer one or more Capital Advisors Investors, Co-Investment Vehicles, investors in Related Funds or third parties the opportunity to invest alongside a Fund, or “co-invest,” in an investment a Fund is making either directly or through a TPG-controlled vehicle established to invest in one or more co-investment opportunities. With respect to Capital Advisors Investors, the situation generally arises when the amount of equity capital necessary to complete a transaction exceeds the amount we determine is appropriate for the Fund, after taking into account additional capital to be contributed by other Funds and any

- co-underwriters;
- co-sponsors (including other third-party managed pooled investment vehicles in which we or our affiliates, or Capital Advisors Personnel personally, may hold an interest);
- Senior Advisors (and the funds they manage);
- Capital Advisors Personnel and other affiliated personnel and
- other parties or consultants that assisted in sourcing or completing the transaction or provide other strategic value.

Depending on a Capital Advisors Vehicle’s Governing Documents, we sometimes also have the option to offer preferential access to co-investment opportunities on a systematic basis, including to our employees, other affiliated personnel or others (allowing, for instance, the investor to co-invest in an aggregate fixed dollar amount over the life of a Capital Advisors Vehicle or in each Capital Advisors Vehicle’s investment of a certain size or that has certain other characteristics). Such co-investment may be undertaken on a programmatic basis (i.e., across portfolio investments in certain sectors or regions). While we believe this co-investment arrangement helps align the interests of our employees and other affiliated personnel with those of a Capital Advisors Vehicle’s investors, this arrangement also gives rise to conflicts of interest. For example, Capital Advisors Personnel would have an incentive to focus on creating value in the portfolio companies in which they made co-investments, even if it would be in a Capital Advisors Vehicle’s interest for the Capital Advisors Personnel to prioritize other portfolio companies that would be more significant drivers of overall Capital Advisors Vehicle returns. Moreover, we reserve the right to enter into agreements with certain Senior Advisors and other consultants, advisors, strategic partners and other third parties that require us to preferentially offer them (or the funds they manage) on a systematic basis co-investment opportunities. The exercise of these co-investment rights will limit the size of investment opportunities available to the Capital Advisors Vehicles and the amount of co-investment opportunities available to other potential co-investors. We would also expect the future formation by us of other Capital Advisors Vehicles and Related Funds (including industry-, geography- or strategy-focused side cars) to reduce the amount of co-investment opportunities

available to investors. We will offer co-investments pursuant to the procedures included in such Capital Advisors Vehicles' Governing Documents and as described in the following paragraphs.

Subject to any restrictions contained in the Governing Documents of the relevant Capital Advisors Vehicle or any side-letter or other terms negotiated with respect to such Capital Advisors Vehicle, in general, we have complete discretion to determine to whom we will offer and award co-investment opportunities. In particular,

- we expect to give co-investment opportunities to
  - Capital Advisors Investors
  - Senior Advisors (and the funds they manage);
  - Capital Advisors Personnel and other affiliated personnel;
  - Co-Investment Vehicles;
  - investors in Capital Advisors Vehicles or Related Funds;
  - prospective investors in one or more Capital Advisors Vehicles or Related Funds;
  - consultants;
  - advisors;
  - strategic partners; and
  - other third parties;
- we generally are under no obligation to offer to Capital Advisors Investors any co-investment opportunities;
- we can offer co-investment opportunities selectively to some Capital Advisors Investors and not offer them to all Capital Advisors Investors (including offering certain Capital Advisors Investors “programmatic” co-investment rights that are either in consideration of an “anchor” or other early commitment made by a Capital Advisors Investor to a Capital Advisors Vehicle or conditioned on such Capital Advisors Investors making capital commitments to one or more other Capital Advisors Vehicles and/or Related Funds, including of a certain minimum amount);
- allocations of co-investment opportunities between Capital Advisors Investors will not correspond to their pro rata interests in the relevant Capital Advisors Vehicle;
- we are authorized to offer certain Capital Advisors Investors preferential access to co-investment opportunities on a deal-by-deal, systematic or other basis (for example, by granting a Capital Advisor Investor either the right to co-invest in each investment that meets specific criteria or a certain amount of co-investment opportunities over the life of

the Capital Advisors Vehicle or a certain portion of each co-investment opportunity that is offered to Capital Advisor Investors), including in connection with broader strategic relationships or other arrangements where investors agree to invest in a Capital Advisors Vehicle or Related Fund;

- we have formed and expect to continue to form, dedicated multi-investment co-investment vehicles (including those over which we have investment discretion) to invest alongside one or more Capital Advisors Vehicles and/or Related Funds, which vehicles are not considered side cars, side-by-side separate accounts or lockstep vehicles or subsequent funds and can be formed at any time in our sole discretion;
- we are authorized to form vehicles to pursue opportunities on behalf of investors with a particular sector or other strategy focus; and
- non-binding acknowledgements of interest in co-investment opportunities are not Investment Allocation Requirements and do not require us to notify the recipients of such acknowledgements if there is a co-investment opportunity.

While the criteria we use in making discretionary co-investment decisions vary from opportunity to opportunity, in our view the most important factors are:

- certainty of funding—that is, whether the potential co-investor has the financial resources to provide the requisite capital in a timely fashion;
- certainty of execution—that is, the sophistication and experience of the potential co-investor and its ability to promptly respond to and complete a co-investment opportunity, including if any investor has granted TPG investment discretion in respect of its co-investments or has committed to any non-discretionary co-investment vehicles;
- any contractual obligations to provide co-investment opportunities and related remedies and rights or whether we have previously expressed a general intention to seek to offer co-investment opportunities to the potential co-investor;
- the size of the potential co-investor’s actual or proposed commitment to Capital Advisors Vehicles and/or Related Funds (including concurrently with the applicable co-investment) and the anticipated importance of the potential co-investor to future TPG fundraising campaigns, including whether such person has demonstrated a long-term and/or continuing commitment to the success of TPG and/or its funds;
- the ability of the potential co-investor to invest in potential follow-on investments in respect of the co-investment opportunity;
- any economic arrangements with the potential co-investor, including the payment of any fee, carried interest and/or other compensation to TPG;

- the likelihood that the potential co-investor would require governance rights that would complicate or jeopardize the transaction (or, alternatively, whether the potential co-investor would be willing to assume a more passive role in such co-investment opportunity);
- the tax profile of the potential co-investor and the tax characteristics of the co-investment opportunity;
- whether the potential co-investor has any existing position in the co-investment opportunity;
- the ability of the potential co-investor to make a meaningful contribution to the transaction, such as in sourcing or completing the transaction or providing operational skills or insight; and
- the overall strategic benefit to the transaction, the Capital Advisors Vehicle or TPG of offering a co-investment opportunity to the potential co-investor.

Other criteria that will from time to time be relevant include but are not limited to:

- the expertise of the potential co-investor with respect to the geographic location, business activities, asset class or industry of the prospective target portfolio company;
- the investment objectives and existing portfolio of the potential co-investor;
- the tax, legal or regulatory constraints to which the proposed investment is expected to give rise;
- any foreign direct investment considerations (including the Committee on Foreign Investment in the United States (“CFIUS”));
- the reporting, public relations, competitive, confidentiality or other issues that can also arise as a result of the co-investment;
- contractual requirements with respect to any particular prospective co-investors;
- contractual requirements related to allocation of co-investment opportunities; and
- any other facts or circumstances that we deem appropriate or relevant.

We expect that these factors will lead us to favor some potential co-investors over others with respect to the frequency with which we offer them co-investment opportunities. We also expect to allocate certain co-investors a greater proportion of an investment opportunity than others as a result of these factors.

For certain Capital Advisors Vehicles, the Governing Documents permit us to offer Capital Advisors Personnel and other affiliated personnel the opportunity to co-invest in such portfolio company a certain set percentage of the relevant Capital Advisors Vehicle’s investment (which,



for this purpose, includes any co-investment vehicles, side-by-side separate accounts and lockstep vehicles). Additionally, we expect any such co-investment to be free of advisory fees and carried interest and to be undertaken on a programmatic basis (i.e., across portfolio companies in certain sectors or regions). While we believe this co-investment arrangement helps align the interests of Capital Advisors Personnel and other affiliated personnel with those of the Capital Advisors Investors, this arrangement also gives rise to conflicts of interest. For example, Capital Advisors Personnel would have an incentive to focus on creating value in the portfolio companies in which such Capital Advisors Personnel made co-investments, even if it would be in a Capital Advisors Vehicle's interest for such Capital Advisors Personnel to prioritize other portfolio companies that would be more significant drivers of overall Capital Advisors Vehicles returns. Moreover, we reserve the right to enter into agreements with certain Senior Advisors and other consultants, advisors, strategic partners and other third parties that require us to preferentially offer them (or the funds they manage) on a systematic basis co-investment opportunities. The exercise of these co-investment rights will limit the size of investment opportunities available to the Capital Advisors Vehicles and the amount of co-investment opportunities available to other potential co-investors. We would also expect the future formation by us of other Capital Advisors Vehicles and Related Funds (including industry-, geography- or strategy-focused side cars) to reduce the amount of co-investment opportunities available to the Capital Advisors Investors.

Our exercise of discretion in allocating investment opportunities among potential co-investors and in the manner discussed above often will not result in proportional allocations among such co-investors, and such allocations will likely be more or less advantageous to some relative to others. We expect that our allocation factors will lead us to favor some potential co-investors over others with respect to the frequency with which we offer them co-investment opportunities. We also expect to allocate certain co-investors a greater proportion of an investment opportunity than others as a result of these factors. In addition, co-investments will not necessarily be made on the same terms as a Fund's investment in the portfolio company. For example, co-investors generally pay no advisory fees or carried interest in connection with the co-investment, or pay them at a lower rate than the investors in the Fund or Funds with which they are co-investing. The portfolio fees received by us in respect of a co-investor's or other investor's allocable or attributable pro rata portion of an investment will not typically offset the management fee payable by a Capital Advisors Vehicle's investors. Co-investors may also acquire their interest in a portfolio company at the same time as the Capital Advisors Vehicles or purchase their interest from the applicable Capital Advisors Vehicles after such Capital Advisors Vehicles have consummated the investment. Co-investors, which may include a TPG controlled Co-Investment Vehicle (including TPG controlled Co-Investment Vehicles over which we exercise discretion), may also, without the consent of an advisory committee or the Capital Advisors Investors, acquire an investment in a portfolio company in connection with a follow-on investment in such portfolio company without having participated in the initial investment in the portfolio company (also known as a post-closing sell down or transfer). In either case, potential co-investors typically do not bear the same costs or expenses as those borne by a Fund, such as any transaction costs of investments that are not consummated and are not subject generally to the same risks to which a Fund is throughout the investment process. For example, while co-investors will benefit from the involvement of advisors in transactions related to a portfolio company, a Fund may bear the full cost of any profits interest or advisor fees paid as compensation to such advisor. When co-investors purchase their interest from the Capital Advisors Vehicle or us, as applicable after the Capital Advisors Vehicle has consummated the investment, the price paid by co-investors is typically determined by the Capital

Advisors Vehicle's general partner in its sole discretion and a Capital Advisors Vehicle oftentimes will not be entitled to interest on such amounts or the reimbursement of any carrying costs, such as interest expense on a credit facility borrowing. The price generally will not reflect the full cost incurred by the Capital Advisors Vehicle or us, as applicable in connection with the investment, any interest charge or other carrying costs on the co-investment amount, the cost of establishing the credit facility utilized to acquire the investment (if applicable) or the risk borne by the Capital Advisors Vehicle in connection with purchasing and warehousing the investment. Any such co-investors, although they benefit from a Capital Advisors Vehicle's subscription credit facility, will also not bear any portion of the costs of maintaining the Capital Advisors Vehicle's subscription credit facility, which, along with the costs of establishing the facility, will be borne entirely by the Capital Advisors Vehicle. Additionally, conflicts of interest also have the potential to arise to the extent that a subscription credit facility is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription credit facility and neither the relevant Capital Advisors Vehicle nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities. In addition, any capital contributed to a Capital Advisors Vehicle by an investor that is used to purchase and warehouse a portion of an investment and that is returned to the investor following the acquisition of such portion of the investment by co-investors will increase such investor's unused capital commitment and will not be taken into account for purposes of calculating the preferred return. Co-investors, including limited partners, Senior Advisors and affiliated personnel, are sometimes given the option to participate in follow-on investments with respect to a particular investment but are generally not obligated to participate. When co-investors elect not to participate in a follow-on investment, it would likely have the effect of increasing a Capital Advisors Vehicle's sharing percentage of such follow-on opportunity and reduce alignment between the co-investor, on one hand, and the Capital Advisors Vehicle and its investors, on the other hand. In addition, to the extent that we engage in a secondary liquidity transaction in connection with an investment, co-investors may not necessarily receive the same liquidity options as investors in a Fund and may therefore be compelled to receive cash or continue to hold an interest in the investment, depending on the particular facts of the transaction.

The amount of portfolio fees generated as a result of co-investments in connection with any portfolio company will often not reduce the management fees paid by the Capital Advisors Vehicles and will therefore be retained by us. The allocation of co-investment opportunities will, in many or all cases, also involve a benefit to us in addition to the receipt of such portfolio fees including the receipt of advisory fees or allocation of carried interest from the co-investor. As a result of the foregoing, we could be incentivized to allocate a greater portion of an investment to a co-investor than it would have otherwise been allocated absent such an arrangement or economic terms.

We could charge investors up-front fees to participate in a co-investment (through TPG BD, our registered broker-dealer, or otherwise) or other one-time or ongoing fixed and/or incentive-based compensation. In addition, we may form Co-Investment Vehicles for the purpose of making multiple co-investments (including those over which we exercise investment discretion) and earn significant advisory fees, carried interest or other compensation from such vehicles. To the extent we earn fees for placing or managing co-investment interests or from management fees or carried interest, we would have an incentive to offer more co-investment through these channels, even if

it would limit the amount of investment available to a Capital Advisors Vehicle or co-investment opportunities available to the investors. For example, we could form one or more Co-Investment Vehicles for the specific purpose of investing alongside Capital Advisors Vehicles and/or Related Funds in a large number of investments. In addition, we (and not the Capital Advisors Vehicles) will earn this compensation even if a Capital Advisors Vehicle initially warehouses a portion of an investment that is intended to be syndicated to co-investors (as described above). As a result, the Capital Advisors Vehicles, and therefore investors, will bear the risk that a co-investment is not ultimately syndicated but we, and not the Capital Advisors Vehicles, would receive compensation in the event the syndication is ultimately successful.

In the event that we determine to offer an investment opportunity to co-investors, there can be no assurance that we will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for a Capital Advisors Vehicle or that expenses incurred by a Capital Advisors Vehicle with respect to the syndication of the co-investment will not be substantial. The Capital Advisors Vehicles bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms and that, as a consequence, a Capital Advisors Vehicle may bear the entire portion of any breakup fee or other fees, costs and expenses related to such investments or co-investment or realize lower than expected returns from such investment. In the event that we are not successful in finding co-investors for a particular opportunity, a Capital Advisors Vehicle will consequently bear all related expenses and have greater exposure to the related investment opportunity than was intended, which could make the Capital Advisors Vehicle more susceptible to fluctuations in value resulting from adverse economic or business conditions. In addition, in the event a co-investor is unable or not required to fund its share of additional capital or related expenses (e.g., in the event such co-investor is not obligated to fund such amounts in accordance with the terms of the co-investment), a Capital Advisors Vehicle may be obligated to fund more than its share of such amount. In such event, the Capital Advisors Vehicle will gain greater exposure to such investment and/or bear more expenses than may have been intended and the returns of the Capital Advisors Vehicle may be negatively impacted as a result of the foregoing. Moreover, an investment by a Capital Advisors Vehicle that is not syndicated to co-investors as anticipated could significantly reduce the Capital Advisors Vehicle's overall investment returns. Therefore, it is possible that a Capital Advisors Vehicle that overcommits to an investment will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

#### *Allocation of Fees and Expenses for Broken Deals*

We employ the same procedures and principles as described above under “*Allocation of Investment Opportunities*” when allocating fees and expenses incurred in connection with “broken deals,” or potential investments or co-investments that we actively consider but do not consummate. That is, we generally make fee and expense allocation decisions while a transaction is pending based on our best judgment of the Capital Advisors Vehicle or Vehicles and/or Related Fund or Funds to which we will ultimately allocate the transaction. This judgment is necessarily subjective, especially when a transaction is terminated at an early stage. When we abandon an opportunity, absent a factual development to the contrary, we will allocate the fees and expenses for such transaction to such Fund or Funds and/or Related Fund or Funds. The allocations of fees and

expenses among Funds may not be proportional. For example, to the extent one or more Related Funds were involved in a broken deal with one or more Capital Advisors Vehicles, the fact that the Related Funds at times have different expense reimbursement terms, including with respect to advisory fee and similar offsets, could result in the Capital Advisors Vehicles bearing different levels of expenses with respect to the same investment.

The financial position of the relevant Capital Advisors Vehicle and/or Related Fund could give us an incentive to allocate such fees and expenses to one such Capital Advisors Vehicle or Related Fund and not another. For example, it would be advantageous to allocate broken deal fees and expenses to a Capital Advisors Vehicle and/or Related Fund that is not expected to pay carried interest to its general partner, as the fees and expenses would not affect the amount of carried interest paid—it would be zero in any case. Conversely, it typically would be disadvantageous as an economic matter to allocate broken deal fees and expenses to a Capital Advisors Vehicle and/or Related Fund that is paying carried interest, as doing so would delay and reduce the amount of carried interest paid to the relevant general partner. As with our other allocation decisions, our allocation procedures and principles are designed to help mitigate the risk that financial incentives implicitly influence the allocation of broken deal fees and expenses.

In addition, as discussed above in Item 5, in certain instances we will evaluate investment opportunities that, if consummated, we would likely offer in part to prospective co-investors, including affiliated co-investors and vehicles over which we exercise investment discretion (such as dedicated, multi-investment Co-Investment Vehicles). If such a potential investment is not consummated, the full amount of any expenses relating to such potential but not consummated investment and co-investment (including reverse termination fees, organizational expenses of a Co-Investment Vehicle, extraordinary expenses such as litigation costs and judgments and other expenses) will typically be borne entirely by the Capital Advisors Vehicle (and any other Related Fund that would have participated in such investment), rather than by any such prospective co-investors (including affiliated co-investors). Alternatively, there may be scenarios where the potential investment is consummated, but the co-investment is not, in which case a Capital Advisors Vehicle will typically bear the full amount of any expenses relating to such potential, but not consummated, Co-Investment Vehicle, including expenses that would have been organizational expenses of the relevant Co-Investment Vehicle (including travel, legal, accounting, tax and other expenses). In addition, such co-investors could independently pursue such transaction, without reimbursing the Capital Advisors Vehicles for its broken-deal costs.

#### *Allocation of Other Fees and Expenses*

From time to time, we determine whether to allocate certain other fees and expenses among Capital Advisors Vehicles, Related Funds and TPG. In exercising our discretion to allocate such fees and expenses, we face a variety of potential conflicts of interest. We will generally allocate fees and expenses to be split between us and the Capital Advisors Vehicles and/or portfolio companies (including fees and expenses incurred in the offering of the Capital Advisors Vehicle, management of the Capital Advisors Vehicle, and investment opportunities), in each case in accordance with the Capital Advisors Vehicle's Governing Documents. To the extent not addressed in the Governing Documents, we generally will allocate such fees and expenses in our sole discretion, in each case in good faith using our best judgment. Because certain expenses are paid for by a Capital Advisors Vehicle and/or its portfolio companies or, if incurred by us, are reimbursed by a Capital

Advisors Vehicle and/or its portfolio companies, we will not necessarily seek out the lowest cost options when incurring (or causing a Capital Advisors Vehicle or its portfolio companies to incur) such expenses.

In the event we are making any determination regarding whether an allocation is fair and equitable, we will have discretion in such determination, and will typically evaluate facts and circumstances relevant to the particular allocation, which may include consideration of a number of factors that include, without limitation, some or all of the following: timing of the transaction, benefit to a Fund to have co-investors participate, relative negotiating power, any contractual requirements or limitations, relevant disclosures to the parties, whether costs and expenses are incurred for the benefit of one party, and whether costs and expenses are incurred in connection with regulatory, tax, accounting or similar requirements applicable to a particular party. The application of such considerations is in certain circumstances expected to result in us determining that it is fair and equitable for a Fund bearing more than its pro rata portion of certain fees, costs and expenses (including broken deal costs). Our discretion in making such determination creates a potential conflict of interest as we may have an incentive to allocate expenses to a particular Fund over another Fund or other co-investor.

A Capital Advisors Vehicle may sell down an interest in its portfolio companies to co-investors. Subject to the applicable Governing Documents, we may charge (or may decide not to charge) a co-investor (such as a Capital Advisors Investor or third party) interest costs for the time period between the closing of the applicable Capital Advisors Vehicle's investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-investor.

Please see "*Resolution of Conflicts*" above for a description of the means by which we and our related persons may seek to alleviate conflicts of interest among the Capital Advisors Vehicles or other accounts or persons.

#### *Allocation of Secondary Transfer Opportunities*

To the extent we have discretion over a secondary transfer of interests in a Capital Advisors Vehicle pursuant to such Capital Advisors Vehicle's Governing Documents, or if we are asked to identify Capital Advisors Investors or third parties that could potentially acquire an interest being transferred, we will consider the factors listed above under "*Allocation of Co-Investment Opportunities*" in exercising such discretion or making such identification.

#### *Conflicts Related to Transactions with Other Capital Advisors Vehicles or Related Funds*

In certain rare instances, we may cause a Capital Advisors Vehicle to purchase investments from another Capital Advisors Vehicle or a Related Fund, or we may cause a Capital Advisors Vehicle to sell investments to another Capital Advisors Vehicle or a Related Fund. In connection with such transactions, we, the Related Advisers and/or our professionals may

- have significant investments or intentions to invest in the Capital Advisors Vehicle or a Related Fund that is selling and/or purchasing such an investment; or

- otherwise have a direct or indirect interest in the investment (such as through certain other participations in the underlying investment).

We and the Related Advisers may receive management or other fees in connection with our management of the relevant Capital Advisors Vehicles and/or Related Funds involved in such a transaction or in connection with the transaction itself, and may also be entitled to share in the investment profits of the relevant Capital Advisors Vehicles and/or Related Funds. We, the Related Advisers and our professionals would be presented with certain conflicts of interest in effecting these transactions. To address these conflicts of interest, we will seek to cause a Capital Advisors Vehicle to engage in such transactions only if we determine that the terms and conditions of such transaction are substantially as advantageous to such Capital Advisors Vehicle as the terms it would obtain in a comparable arm's-length transaction with a third party. For additional information regarding transactions between Capital Advisors Vehicles, including a discussion of related conflicts of interest, please see Item 12, under "*Cross Transactions*."

#### *Investing Alongside Other Capital Advisors Vehicles or Related Funds*

A Capital Advisors Vehicle could acquire its interests in a portfolio investment at separate times and on different terms than other investing Capital Advisors Vehicles and/or Related Funds and the consent of an advisory committee will only be sought if expressly required by the Governing Documents of the applicable Capital Advisors Vehicles and/or Related Funds. When we determine that it would be appropriate for (i) a Capital Advisors Vehicle to make an investment in or buy a security from a pre-existing portfolio investment of another Capital Advisors Vehicle and/or Related Fund and/or sell a security to the account of one or more other Capital Advisors Vehicles and/or Related Funds, (ii) one or more other Capital Advisors Vehicles and/or Related Funds to later invest in a portfolio investment in which a Capital Advisors Vehicle has invested, (iii) a company in which certain of our personnel hold an interest to acquire a portfolio investment of a Capital Advisors Vehicle and (iv) another Capital Advisors Vehicle and/or Related Fund to make investments in an existing portfolio investment of a Capital Advisors Vehicle for the limited purpose of providing such portfolio investment's management team with limited liquidity, we will generally seek to make any such investment on the same general terms and ensure that each participating investment account, including a Capital Advisors Vehicle, participates on a reasonable and equitable basis in accordance with our then-current allocation policy. However, situations may occur where a Capital Advisors Vehicle could be disadvantaged as a result of the investment activities conducted for other Capital Advisors Vehicles and/or Related Funds, including because co-investing funds and accounts have different terms, access to credit, hedging or investment strategies, investment periods, return profiles and/or structures from the Capital Advisors Vehicles, which factors could result in a Capital Advisors Vehicle's investment being made at a different effective price or with differing costs or terms. In addition, the foregoing transactions would be expected to have an effect (either positive or negative) on the market value of a Capital Advisors Vehicle's portfolio investments.

In many cases, a Capital Advisors Vehicle will co-invest in lockstep with another Capital Advisors Vehicle and/or Related Fund, with both funds making and exiting the shared investment at the same time and on substantially the same terms. In some situations, however, a Capital Advisors Vehicle and other Capital Advisors Vehicles and/or Related Funds will have different entry and/or exit timing in the same investment, acquire the same or a different security or extend credit on

different terms or acquire, originate or otherwise make investments in different parts of a company's capital structure (as further described in "*Conflicts Related to Investing in Different Levels of the Capital Structure*" below). In these scenarios, a Capital Advisors Vehicle and the other relevant Capital Advisors Vehicles and/or Related Funds will not be required to, and may not, exit their respective investments at the same time, for the same effective price and/or on the same or substantially the same terms, taking into consideration, among other things, the respective terms, commitment periods, structures, investment strategies and return profiles of each Capital Advisors Vehicle and/or Related Fund, as well as any applicable tax, regulatory or legal restrictions or considerations. In all of these cases, the other Capital Advisors Vehicle's and/or Related Fund's view of the investment and its interests may diverge from those of a Capital Advisors Vehicle. This could cause a Capital Advisors Vehicle to dispose of, increase its exposure to or continue to hold the investment at a time when the other Capital Advisors Vehicle and/or Related Fund has taken a different approach, including a Related Fund participating in the extension of additional credit to such portfolio investment. As a result, the actions of the other Capital Advisors Vehicle and/or Related Fund could affect the value of a Capital Advisors Vehicle's investment. For instance, a sale by the other Capital Advisors Vehicle and/or Related Fund of its investment "below par" could put downward pressure on the value of a Capital Advisors Vehicle's interest, which the Capital Advisors Vehicle has opted to hold longer term. The other Capital Advisors Vehicle and/or Related Fund is under no obligation to act in a way that furthers or protects the interests of the Capital Advisors Vehicle.

In connection with any investment in which another Capital Advisors Vehicle and/or Related Fund also participates, we and our Related Advisers reserve the right to give advice and make investment recommendations to any other Capital Advisors Vehicle and/or Related Fund that differs from advice given to, or investment recommendations made to, a Capital Advisors Vehicle (including with respect to the timing of the purchase or sale of investments), even if such other Capital Advisors Vehicle's and/or Related Fund's investment objectives are the same or similar to those of the Capital Advisors Vehicle. We could express inconsistent views on commonly held investments or on market conditions more generally. To the extent not restricted by confidentiality requirements or information barriers, we and/or the Related Advisers will generally apply the experience and information obtained by managing a Capital Advisors Vehicle to benefit other Capital Advisors Vehicles and/or Related Funds (and vice versa). However, we could obtain information while dealing with portfolio investments of other Capital Advisors Vehicles and/or Related Funds that we are prohibited from acting on in respect of or otherwise disclosing to a Capital Advisors Vehicle as a result of confidentiality requirements, internal policy, information barriers or applicable law, even though such action or disclosure could be in a Capital Advisors Vehicle's interests (e.g., when another Capital Advisors Vehicle and/or Related Fund holds an interest in a portfolio investment of a Capital Advisors Vehicle that goes into bankruptcy or reorganization, becomes insolvent or otherwise experiences financial distress or is unable to meet its payment obligations or comply with covenants relating to debt or other securities held by the Capital Advisors Vehicle).

In addition, where multiple Capital Advisors Vehicles and/or Related Funds invest in the same portfolio investment at different times, the first Capital Advisors Vehicle to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than the later investing Capital Advisors Vehicles and/or Related Funds; similarly, to the extent a transaction does not proceed, the first Capital Advisors Vehicle to invest typically will bear the full amount of broken

deal expenses relating to the transaction, regardless of whether other Capital Advisors Vehicles and/or Related Funds could or would have invested in such portfolio investment in potential future transactions. Moreover, the securities that will be purchased by the later-investing Capital Advisors Vehicles and/or Related Funds could have more attractive terms and conditions than the securities issued to the earlier Capital Advisors Vehicle. In the case of follow-on investments, to the extent a Capital Advisors Vehicle has insufficient unfunded capital available to support making follow-on investments in respect of its existing investments, then the Capital Advisors Vehicle could suffer dilution, while the other Capital Advisors Vehicle and/or Related Fund may continue investing. Further, there can be no assurance that a Capital Advisors Vehicle's return on such an investment will be the same as the returns achieved by any other Capital Advisors Vehicle(s) and/or Related Fund(s) participating in the transaction.

In certain circumstances, a Capital Advisors Vehicle may be invited to co-invest in transactions being managed or led by one or more other Capital Advisors Vehicles and/or Related Funds and one or more other Capital Advisors Vehicles and/or Related Funds may be invited to co-invest with a Capital Advisors Vehicle. In determining whether to engage in such side-by-side investing and upon what terms, we will follow the procedures set forth in the applicable Governing Documents and will act in accordance with our then-current allocation policy. In such circumstances, the investment by a Capital Advisors Vehicle and other Capital Advisors Vehicles and/or Related Funds likely will not be proportional. Therefore, such participation by a Capital Advisors Vehicle may be more or less advantageous to the Capital Advisors Vehicle relative to other Capital Advisors Vehicles and/or Related Funds. In addition, such side-by-side investing is expected to give rise to potential conflicts of interest, including allocations of investment interests, governance rights and the sharing of fees and expenses. The appropriate allocation among a Capital Advisors Vehicle and other Capital Advisors Vehicles and/or Related Funds of fees, costs and expenses generated in the course of evaluating and making side-by-side investments that are not consummated (including out-of-pocket fees associated with due diligence, attorney fees, and the fees of other professionals) will be determined by us in our sole discretion in accordance with our then-current expense allocation processes.

Generally, we expect to allocate any Capital Advisors Vehicle expenses or unconsummated transaction expenses in connection with an investment that is pursued by a Capital Advisors Vehicle and one or more other Capital Advisors Vehicles and/or Related Funds pro rata in accordance with their respective investments or proposed investments, unless we determine that a different allocation is fair and equitable under the circumstances. In addition, in the event a Capital Advisors Vehicle and/or Related Fund is unable to fund its share of additional capital (e.g., in the event such Capital Advisors Vehicle and/or Related Fund does not have sufficient available capital), a Capital Advisors Vehicle may be obligated to fund more than its share of such amount. In such event, the Capital Advisors Vehicle will gain greater exposure to such investment than may have been intended and the returns of the Capital Advisors Vehicle may be negatively impacted as a result of the foregoing. We will, in certain circumstances, have an opportunity to acquire a portfolio of loans, debt securities and other instruments that we determine should be divided and allocated among a Capital Advisors Vehicle or other Capital Advisors Vehicles and/or Related Funds. In this situation, the combined purchase price paid to the seller(s) would be allocated among the multiple loans, securities and other instruments being acquired and therefore among the Capital Advisors Vehicles and/or Related Funds acquiring any of the loans, securities and other instruments, although we could, in certain circumstances, allocate value to the Capital



Advisors Vehicles and/or Related Funds on a different basis than the contractual purchase price (including based on the underlying values of the loans, securities and other instruments in such portfolio(s)). Regardless of the methodology for allocating value, we will have conflicting duties to the Capital Advisors Vehicles and/or Related Funds when loans, securities and other instruments are bought together in a portfolio, including as a result of different financial incentives we have with respect to the Capital Advisors Vehicles and/or Related Funds, most clearly when the fees and compensation, including performance-based compensation, earned from the Capital Advisors Vehicles and/or Related Funds differ. There can be no assurance that a portfolio investment of a Capital Advisors Vehicle will not be valued or allocated a purchase price that is higher or lower than it might otherwise have been valued or allocated if such portfolio investment were acquired or sold independently rather than as a component of a portfolio shared with other Capital Advisors Vehicles and/or Related Funds.

Other Capital Advisors Vehicles and/or Related Funds may also make investments in portfolio investments or issuers in which a Capital Advisors Vehicle invests by exercising certain rights that were negotiated by the Capital Advisors Vehicle (or another Capital Advisors Vehicle and/or Related Fund). For example, another Capital Advisors Vehicle and/or Related Fund could exercise pre-emptive rights, options, warrants and other contractual rights obtained and negotiated for by a Capital Advisors Vehicle (or another Capital Advisors Vehicle and/or Related Fund) in connection with a previous investment in the applicable portfolio investment or issuer and vice versa. Such investments may create conflicts of interest, including where other Capital Advisors Vehicles and/or Related Funds have the opportunity to benefit from rights and options that were negotiated by a Capital Advisors Vehicle, in some cases in exchange for no consideration. Similar conflicts will arise if we, or our affiliates, invest alongside a Capital Advisors Vehicle in a portfolio investment. In addition, a portfolio investment of a Capital Advisors Vehicle could over time develop characteristics that result in the portfolio investment constituting an attractive investment opportunity for another Capital Advisors Vehicle and/or Related Fund and vice versa. For example, a portfolio investment of a Capital Advisors Vehicle could evolve into an asset with a lower risk and return profile and longer expected holding period targeted by another Capital Advisors Vehicle and/or Related Fund. In such cases, we could seek to effect a purchase or sale of an investment between a Capital Advisors Vehicle and one or more other Capital Advisors Vehicles and/or Related Funds, subject in each case to applicable procedures. In addition, investments by a Capital Advisors Vehicle alongside other Capital Advisors Vehicles and/or Related Funds may result in the incurrence of additional investment expense and delays as a result of the greater structural complexity faced by us and our Related Advisers in seeking to address the needs of multiple funds and/or accounts, which may have investment objectives and/or sensitivities that conflict or are otherwise at odds with one another.

Notwithstanding the foregoing, other Capital Advisors Vehicles and/or Related Funds (and their portfolio companies) are under no obligation to take any action or refrain from taking any action to prevent or mitigate any losses by a Capital Advisors Vehicle, or to take into account a Capital Advisors Vehicle's interests in advising their respective portfolio investments or otherwise managing their assets. In navigating any conflicts of interest, we will act in accordance with our policies on conflicts (which may include review and resolution by a conflicts committee).

### *Conflicts Related to Investing in Different Levels of the Capital Structure*

Capital Advisors Vehicles and Related Funds invest in a broad range of asset classes throughout the corporate capital structure, including loans and debt securities, preferred equity securities and common equity securities. Certain Related Funds also engage in short selling. Accordingly, from time to time a Capital Advisors Vehicle holds an interest in one part of a portfolio investment's capital structure while another Capital Advisors Vehicle and/or Related Fund holds an interest in another; similarly, a Capital Advisors Vehicle may hold a "long" position in a portfolio investment in which another Related Fund is "short," or vice versa. When different Capital Advisors Vehicles and/or Related Funds make investments in the same portfolio investment but in different parts of its capital structure or in different types of investments, we will have conflicting responsibilities with respect to each participating Capital Advisors Vehicle and/or Related Fund. Specifically, these transactions raise a number of conflicts of interest, including where the investment of one Capital Advisors Vehicle supports the value of or is used to repay or redeem, in whole or in part, one or more investments owned by another Capital Advisors Vehicle and/or Related Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. For the avoidance of doubt, in any circumstance in which a Capital Advisors Vehicle and/or Related Fund (or portfolio investment thereof) hold interests in different parts of the capital structure of a portfolio investment, such funds (and their portfolio companies) are under no obligation to take any action or refrain from taking any action to prevent or mitigate any losses of the other, and decisions taken by another Capital Advisors Vehicle and/or Related Fund to further its interests may be adverse to the interests of a Capital Advisors Vehicle. As described below in *Conflicts Related to Strategic Transactions*, Angelo Gordon was acquired in 2023 by TPG, which makes it increasingly likely (and expected) that a Capital Advisors Vehicle will invest in the equity (or a different tranche of debt) securities of a portfolio investment while another Capital Advisors Vehicle and/or Related Fund is invested in such portfolio investment's debt securities. In navigating any conflicts of interest, we will act in accordance with our policies on conflicts (which may include review and resolution by a conflicts committee).

In a situation where one Capital Advisors Vehicle and/or Related Fund owns securities that are higher in the capital structure than those held by another Capital Advisors Vehicle and/or Related Fund, the interests of the Capital Advisors Vehicles and/or Related Funds might not be aligned, which could give rise to actual or potential conflicts of interest or the appearance of such conflicts of interest. Questions could arise about what action should be taken when a portfolio investment is in financial distress, including whether payment obligations and covenants at the portfolio investment level should be enforced, modified or waived, in particular where requests for amendments or waivers to loan documentation would improve the position of preferred equity or equity holders, and whether debt should be refinanced or restructured, including whether to initiate restructuring or liquidation inside or outside of bankruptcy. In situations in which there are more senior instruments issued by other Capital Advisors Vehicles and/or Related Funds, such other Capital Advisors Vehicles and/or Related Funds may take actions for their benefit that further subordinate or adversely impact the value of a portfolio investment of a Capital Advisors Vehicle (particularly in situations where such portfolio investment is distressed or otherwise faces financial difficulties, in which case conflicts of interest may be heightened in the event of a default or restructuring). Additionally, another Capital Advisors Vehicle and/or Related Fund may have

rights relating to finance- and collateral-related covenants that, if exercised, could adversely impact a Capital Advisors Vehicle's investment in the portfolio investment.

It is possible that in a bankruptcy or foreclosure proceeding, a Capital Advisors Vehicle's interest will be subordinated to the interest of another Capital Advisors Vehicle and/or Related Fund with a more senior interest or otherwise adversely affected by virtue of another Capital Advisors Vehicle's and/or Related Fund's involvement in such transaction (for example, if such Capital Advisors Vehicle and/or Related Fund aggressively pursues the company's assets to fully satisfy such company's indebtedness to such other Capital Advisors Vehicle and/or Related Fund, in which case, as a fiduciary, we could have an obligation to pursue such remedy on behalf of such other Capital Advisors Vehicle and/or Related Fund), particularly when such other Capital Advisors Vehicle and/or Related Fund represents the controlling class or is appointed as a special servicer or collateral manager and, as such, is required to make decisions for all investors, including a Capital Advisors Vehicle. On the other hand, in the event a Capital Advisors Vehicle's portfolio investment is senior to the securities or other instruments held by another Capital Advisors Vehicle and/or Related Fund in the capital structure of the investment (such as, for example, if a Capital Advisors Vehicle were to invest in the debt of a company in which a Capital Advisors Vehicle and/or Related Fund holds equity or junior debt), in a distress or workout scenario, including a bankruptcy, insolvency or similar proceeding, the Capital Advisors Vehicle could recover on its investment while the other Capital Advisors Vehicle and/or Related Fund holding equity or junior debt might not. If there is a possibility that the other Capital Advisors Vehicle and/or Related Fund holding more junior debt or equity positions could lose its respective investment as a result of such difficulties, the ability or willingness of us to recommend actions in the best interests of the Capital Advisors Vehicle might be influenced by our or a Related Adviser's duties to such other Capital Advisors Vehicle and/or Related Fund. Further, if additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, a Capital Advisors Vehicle and/or Related Fund may or may not provide such additional capital and, if provided, each investment vehicle generally will supply such additional capital in such amounts, if any, as determined by us and/or our Related Advisers in our sole discretion.

Because of the different legal rights associated with debt and equity of the same portfolio investment, we and our affiliates expect to face a conflict of interest in respect of the advice given to, and the actions taken on behalf of, the Capital Advisors Vehicles and/or Related Funds in connection with certain investments and/or transactions (e.g., the terms of debt instruments, the enforcement of covenants, the terms and recapitalizations and the resolution of workouts or bankruptcies). As a consequence of the type of investment held by each Capital Advisors Vehicle and/or Related Fund in the relevant portfolio investment (or the fact that one Capital Advisors Vehicle's and/or Related Fund's interests sit higher in a company's waterfall), each such Capital Advisors Vehicle and/or Related Fund will likely have a different assessment of a given situation and the approach that best serves its interests, including in respect of significant matters such as the best exit strategy for an investment, the quality of the management team, the achievability of a financial budget or the economic and other terms of an investment (such as the interest rate to be paid, the security granted, the nature of the covenants and terms of amendments or restructurings). The Capital Advisors Vehicles and/or Related Funds that have invested in the same portfolio investment (including, but not limited to, with respect to equity interests and debt interests) may have different rights and remedies and different (and often competing) motives, incentives, liquidity goals and other interests with respect to their respective investments even outside of a

distress situation (see “*Investing Alongside Other Capital Advisors Vehicles or Related Funds*” above). The stage of maturity of each Capital Advisors Vehicle and/or Related Fund (i.e., how close to the end of the vehicle’s life it may be) also could impact decision-making regarding potential sales processes, including what valuation to target and whether an exit should be pursued.

When Capital Advisors Vehicles and/or Related Funds hold investments in different levels of the capital structure, and conflicts of interest arise between the holders of different types of investments as to what actions the relevant portfolio investment should take, our ability to take actions in the best interests of a Capital Advisors Vehicle might be impaired. The existence of such investments by other Capital Advisors Vehicles and/or Related Funds may also create an incentive for us to concentrate in certain portfolio investments more than it would have in the absence of such investments by other Capital Advisors Vehicles and/or Related Funds. In such circumstances, we and/or our Related Advisers are permitted to (but not obligated to), to the fullest extent permitted by applicable law, take steps to reduce the potential for adversity between a Capital Advisors Vehicle and other Capital Advisors Vehicles and/or Related Funds, notwithstanding the fact that the investment(s) of the Capital Advisors Vehicle may be subject to creditor claims regarding subordination of interests, including by causing the Capital Advisors Vehicle to take certain actions that, in the absence of such conflict, it would not take, such as (a) remaining passive in certain contexts, such as without limitation, a restructuring, foreclosure, refinancing or similar situation (including electing not to vote or voting pro rata with other security holders), (b) investing in the same or similar classes of securities as the other Capital Advisors Vehicles and/or Related Funds in order to align their interests, (c) divesting portfolio investments, (d) establishing ethical screens or temporary information barriers to separate our and our Related Adviser’s investment professionals, (e) maintaining a non-controlling interest in such portfolio investments, (f) forbearing rights, including certain non-economic rights, relating to the Capital Advisors Vehicles and/or Related Funds, such as where we or our Related Advisers may cause a Capital Advisors Vehicle and/or Related Fund to decline to exercise certain control- and/or foreclosure-related rights with respect to a portfolio investment (including following the vote of other third-party lenders generally or otherwise recusing itself with respect to decisions), including with respect to defaults, foreclosures, workouts, restructurings and/or exit opportunities, subject to certain limitations or (g) otherwise taking an action designed to reduce adversity between a Capital Advisors Vehicle and/or Related Fund. Any such step could have the effect of benefitting another Capital Advisors Vehicle and/or Related Fund (or us) and therefore may not have been in the best interests of, and may have been adverse to, a Capital Advisors Vehicle (or another Capital Advisors Vehicle and/or Related Fund) and there can be no assurance that any of these measures will be feasible or effective in any particular situation. Ultimately, it is possible that the outcome for a Capital Advisors Vehicle will be less favorable than might otherwise have been the case if we and our Related Advisers did not owe duties to other Capital Advisors Vehicles and/or Related Funds. Such conflicts will be more difficult if a Capital Advisors Vehicle and another Capital Advisors Vehicle and/or Related Fund hold significant or controlling interests in competing or different tranches of a portfolio investment’s capital structure.

We are permitted (but are not obligated) to put in place additional policies and procedures intended to mitigate any actual or potential conflicts of interest arising as a result of the ability for the Capital Advisors Vehicles and/or Related Funds to invest in various levels of the capital structure of the same portfolio investments. Any such policies are likely to evolve and as such, are subject to amendment from time to time.

### *Conflicts Related to Other Investments by Capital Advisors Vehicles and Related Funds*

Given the breadth of our portfolio across platforms, we expect a Capital Advisors Vehicle or a Related Fund from time to time to invest in a competitor or customer of, or service provider or supplier to, a portfolio company of another Capital Advisors Vehicle. In addition, Capital Advisors Personnel may serve as directors, or otherwise be associated with, companies that are competitors of portfolio companies of certain Capital Advisors Vehicles. These circumstances would give rise to a variety of conflicts of interest. For example, a Related Fund or its portfolio company may take actions for commercial reasons that have adverse consequences for the Capital Advisors Vehicle or its portfolio company, such as seeking to increase its market share at the Capital Advisors Vehicle portfolio company's expense (as a competitor), withdrawing business from the Capital Advisors Vehicle portfolio company in favor of a competitor that offers the same product or service at a more competitive price (as a customer), increasing prices in lock-step with other enterprises in the industry (as a supplier) or commencing litigation against the Capital Advisors Vehicle portfolio company (in any capacity). Another Capital Advisors Vehicle or a Related Fund may also obtain information while dealing with its portfolio companies that it is prohibited from acting on or disclosing to another Capital Advisors Vehicle or its portfolio company as a result of confidentiality requirements or applicable law, even though such action or disclosure would be in a Capital Advisors Vehicle's interests (e.g., when another Capital Advisors Vehicle and/or Related Fund holds an interest in a portfolio company that goes into bankruptcy or reorganization, becomes insolvent or otherwise experiences financial distress or is unable to meet its payment obligations or comply with covenants relating to securities held by a Capital Advisors Vehicle). In addition, to the extent not restricted by confidentiality requirements, we generally will apply the experience obtained by managing the Capital Advisors Vehicles to benefit Related Funds. Related Advisers are under no obligation to take into account the other Capital Advisors Vehicles' interests in advising their portfolio companies or otherwise managing their assets.

### *Conflicts Arising from Other Investment Activities of the Capital Advisors Vehicles and Related Funds – Possession of Material Non-Public Information*

From time to time, we and our personnel are expected to come into possession of material non-public information (“MNPI”) concerning specific companies, including as a result of certain of our personnel serving on the boards of directors or in other similar capacities of our portfolio companies (see “*Conflicts Arising from Service by Our Professionals on Portfolio Company Boards of Directors*” below), through other officer or director positions of our personnel, and as a result of information Capital Advisors Vehicles and/or Related Funds receive in their capacities as investors in portfolio companies. As a consequence of our inability to use MNPI for investment purposes under applicable securities laws and/or our internal policies and procedures, such positions and/or portfolio companies, as applicable, could impair the ability of a Capital Advisors Vehicle to sell a portfolio company in the event a director, by virtue of his or her role, or another Capital Advisors Vehicle and/or Related Fund, by virtue of its capacity as an investor in a portfolio company, receives MNPI, which would have an adverse effect on the Capital Advisors Vehicle. For example, a Capital Advisors Vehicle may be restricted from buying or selling an investment which, if MNPI had not been known, otherwise may have been undertaken. We anticipate that in certain (but not all) situations we will be offered an option to elect not to receive MNPI and, to minimize the impact of restrictions the receipt of such information would impose on us, we anticipate that we will elect not to receive MNPI when such an option is available to us. However,

due to these restrictions, there can be no assurance that a Capital Advisors Vehicle will be able to liquidate or exit an opportunity in the same manner or on the same timing as would be the case if such restrictions did not apply. As a result of the foregoing, a Capital Advisors Vehicle may be adversely affected because of our inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Capital Advisors Vehicle from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by us or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that a Capital Advisors Vehicle will be able to participate in all potential investment opportunities that fall within its investment objectives.

*Conflicts Arising from Activities of the Capital Advisors Vehicles and Related Funds; Information Barriers*

Our funds and investment platforms regularly obtain non-public information regarding target companies and other investment opportunities. Upon the consummation of our acquisition of TPG Angelo Gordon, we established an information barrier between our TPG Angelo Gordon platform, on one side, and our other TPG platforms, on the other side (as further discussed below in “*Conflicts Arising from Other Investment Activities of the Capital Advisors Vehicles and Related Funds – Walled-Off Businesses*”). We do not currently maintain permanent information barriers among the businesses on each side of such information barrier, and, as noted below, such information barrier may be adjusted or fully removed at any time (including by moving one or more strategies from one side of the information barrier to another). Accordingly, we generally consider nonpublic information received by an investment team on one side of an information barrier as being imputed to all other investment professionals on the same side of such information barrier, including all of the personnel on the same side of such information barrier who make Capital Advisors Vehicle investments. In the absence of an information barrier (or if an existing information barrier is subsequently changed or removed), if another Capital Advisors Vehicle and/or Related Fund receives MNPI with respect to a company, other Capital Advisors Vehicles would face, as a result of securities law prohibitions on trading on the basis of material non-public information, restrictions on their ability to buy or sell securities issued by the company. Moreover, the confidentiality agreements the Capital Advisors Vehicles and Related Funds enter into often include provisions, such as “standstills,” that could prevent the Capital Advisors Vehicles from making an investment, including a direct transaction with the company, potentially for extended periods.

In addition, some Related Funds regularly trade securities and debt instruments in the secondary market. In the absence of information barriers, a Capital Advisors Vehicle’s receipt of non-public information on a particular company would, as a result of securities laws or applicable industry conventions (such as with respect to secondary loan trading), generally restrict the trading activities of these Related Funds with respect to that company. Moreover, the operation of certain Governing Document provisions could impair another Capital Advisors Vehicle’s or Related Fund’s ability to trade the securities or debt instruments of a company if a Capital Advisors Vehicle invests in that company. In certain circumstances, we will have an incentive to avoid taking actions that would impede the operation of another Capital Advisors Vehicle or Related Fund. For example, a Capital Advisors Vehicle may decline to receive non-public information on a company

or otherwise pursue an investment opportunity if doing so would prevent Related Funds from trading securities or debt instruments currently in their portfolio or of interest to them.

In limited circumstances, we erect temporary information barriers to restrict the transfer of non-public information between Related Funds and Capital Advisors Vehicles to avoid the restrictions described in the preceding paragraphs. We may also do so for commercial reasons, e.g., if a portfolio company requires that a Capital Advisors Vehicle keep information about the portfolio company confidential and not disclose it to our other platforms or funds. In these instances, however, a Capital Advisors Vehicle's ability to benefit from our expertise outside any such barrier will be limited. In addition, in the event that a temporary information barrier designed to protect a Capital Advisors Vehicle is breached, even if inadvertently, the Capital Advisors Vehicle will likely face the same restrictions on its investment activities as it would have faced had the temporary information barrier not been established in the first place.

In certain situations, we may permit an investment professional on one side of an information barrier to participate in certain investment advisory activities involving a business on the other side of the information barrier. To the extent such investment professional acquires MNPI in connection with such activities, the Capital Advisors Vehicles and Related Funds on both sides of an information barrier may be restricted from making certain investments.

There can be no assurance that our information barrier policies will not otherwise adversely affect the ability of the Capital Advisors Vehicles to effectively achieve their investment objective by unduly limiting the investment flexibility of the Capital Advisors Vehicles and/or the flow of otherwise appropriate information between us and other businesses at TPG. Additionally, there could be circumstances in which one or more individuals associated with us will be precluded from providing services to the Capital Advisors Vehicles or from being involved in specific investment-related activities or decisions because of certain confidential information available to those individuals or to other TPG individuals or because of other applicable legal or regulatory restrictions that result from their oversight of or involvement in activities of the Related Funds. In such circumstances, the information barrier could require such individuals to recuse themselves from a Capital Advisors Vehicle's committees or otherwise from participating in or sharing information relevant to investment activities or decisions relating to the Capital Advisors Vehicle's investments. Alternatively, we and our affiliates could determine that such investment professionals should so recuse themselves to ensure that they can participate in the investment activities and decisions of the Related Funds. The Capital Advisors Vehicles could be adversely impacted in such circumstances. There can be no assurance that additional restrictions will not be imposed that would further limit our ability to share information internally.

#### *Conflicts Arising from Other Investment Activities of the Capital Advisors Vehicles and Related Funds – Walled-Off Businesses*

We are permitted in our discretion to place certain funds, businesses, platforms or other groups of individuals and/or entities behind information barriers in order to limit the free flow of information across any such information barrier. As described above, currently, our TPG Angelo Gordon platform operates as a "walled-off" business from us (and thus, from the Capital Advisors Vehicles) pursuant to such an information barrier. However, we may in the future evaluate the scope and necessity of such practice and decide to adjust (including by moving one or more

strategies from one side of the information barrier to another) or fully remove such information barrier, which could result in funds within the TPG Angelo Gordon platform no longer being “walled off” from the Capital Advisors Vehicles. For the avoidance of doubt, no approval of an advisory committee or investors will be required in order to adjust or fully remove any information barrier, including the information barrier currently in place between the Capital Advisors Vehicles and TPG Angelo Gordon.

Given that TPG Angelo Gordon and any other “walled-off” businesses are siloed by an information barrier from the Capital Advisors Vehicles, they generally will not share information with the Capital Advisors Vehicles and will have different day-to-day management from the Capital Advisors Vehicles.

Accordingly, these “walled-off” businesses may not be subject to certain restrictions otherwise applicable to our affiliates under certain Capital Advisors Vehicles’ Governing Documents. For example, these businesses and their dedicated personnel generally are authorized to:

- make investments without regard to the Capital Advisors Vehicles’ investment allocation provisions or the allocation principles described above;
- invest in portfolio companies of the Capital Advisors Vehicles;
- receive payments from Capital Advisors Vehicles’ portfolio companies without applying those amounts to offset the management fee payable by investors; and
- enter into transactions with Capital Advisors Vehicles’ portfolio companies.

In addition, subject to the Governing Documents of a Capital Advisors Vehicle, we would not need advisory committee approval to invest in a company in which such business or its personnel already holds an existing material investment.

However, other restrictions relevant to our affiliates will apply to “walled-off” businesses. For example, “walled-off” businesses are typically subject to a Capital Advisors Vehicle’s successor fund limitation, and we would generally need a Capital Advisors Vehicle’s advisory committee approval for a Capital Advisors Vehicle to acquire an investment from or dispose an investment to a “walled-off” business in a transaction that is directly negotiated between a Capital Advisors Vehicle and any such “walled-off” business. While information barriers are designed to restrict the flow of information between certain businesses, there can be no assurances that such barriers would not be breached, inadvertently or otherwise, including with respect to information regarding investment opportunities, deal pipelines and strategy, which could result in greater restrictions in a Capital Advisors Vehicle’s or Related Fund’s investment activities, and implicate certain of the risks and conflicts described in *“Conflicts Arising from Other Investment Activities of the Capital Advisors Vehicles and Related Funds – Possession of Material Non-Public Information.”*

*Conflicts Arising from Other Investment Activities of the Capital Advisors Vehicles and Related Funds – Certain Bankruptcy Implications*

Capital Advisors Vehicles and/or the Related Funds will in many cases own a significant or controlling percentage of the common equity of portfolio companies which, depending upon the amount of equity owned by them, any relevant contractual arrangements between such portfolio



company and the participating Funds and other relevant factual circumstances, could result in an extension to one year of the ninety-day bankruptcy preference period with respect to payments made to a Capital Advisors Vehicle and/or subordination of its claims to other creditors and/or recharacterization of debt claims into equity claims. In addition, due to equity ownership, representation on the boards of directors and/or contractual rights, as applicable, the Capital Advisors Vehicles and the Related Funds will typically be deemed to control, participate in the management of or influence the conduct of portfolio companies. The effect of these relationships will vary from jurisdiction to jurisdiction. These factors could expose the assets of a Capital Advisors Vehicle to claims by a portfolio company, its security holders, its creditors or governmental agencies.

If a Capital Advisors Vehicle purchases in the secondary market at a discount debt securities of a company in which a Capital Advisors Vehicle has, for example, a substantial equity interest, (i) a court might require a Capital Advisors Vehicle to disgorge profit it realizes if the opportunity to purchase such securities at a discount should have been made available to the issuer of such securities or (ii) a Capital Advisors Vehicle might be prevented from enforcing such securities at their full face value if the issuer of such securities becomes bankrupt. The effect of these transactions will vary from jurisdiction to jurisdiction.

We may serve on committees in proceedings under Chapter 11 of the U.S. Bankruptcy Code or prior to such filings, and this involvement, for which we may be compensated, may limit or preclude the flexibility that the Capital Advisors Vehicles would otherwise have to make investments.

### *Conflicts Relating to the Use of Leverage*

We expect to utilize various forms of leverage in connection with certain Capital Advisors Vehicles' investments and operations. The use of borrowed funds creates the opportunity for greater total returns and allows us to better manage a Capital Advisors Vehicle's cash flows, but at the same time involves risks and potential conflicts of interest. We describe certain of the significant risks and conflicts below.

#### Fund-Level Borrowing

##### *Governing Document Parameters for Fund-Level Borrowing*

We expect to cause certain Capital Advisors Vehicles to (including on a several, joint, joint and several basis, or cross-collateralized basis) incur indebtedness for borrowed money for any purpose related to the Capital Advisors Vehicles, including to:

- pay expenses (including management fees),
- make or facilitate new or follow-on investments,
- make payments under guarantee, surety or hedging transactions,
- fund the payment of any withholding or other tax or governmental charge on behalf of or with respect to any investor,

- cover any shortfall in capital contributions resulting from failure to meet the Capital Advisors Vehicle’s capital call timeline, excuse or exclusion, and
- make or facilitate timely distributions of proceeds from investments that have been subject to a disposition.

We refer to these borrowings generally as “fund-level borrowing.” Governing Documents generally permit Capital Advisors Vehicles to borrow for these purposes subject to certain exceptions and restrictions. Typically, a Fund (or one or more Fund special purpose vehicles) enters into one or more credit facilities (commonly referred to as “subscription lines” or a “subscription facility”) as credit parties. For tax, legal, regulatory, administrative or similar reasons, we expect in certain cases to use special financing subsidiaries of Capital Advisors Vehicles to engage directly in borrowing in lieu of, and with full credit support from, such Capital Advisors Vehicles. In the following discussion, we refer to these facilities collectively as the “credit facility.” The general partner of the Fund determines the credit facility’s administrative agent, lenders and terms (and any amendment, extension, refinancing, replacement or termination of the credit facility) without seeking the consent of the Fund’s investors or the advisory committee.

Credit facilities typically allow revolving borrowings up to a specified principal amount that will be determined based in part on the Fund’s capital commitments and the lenders’ assessment of the creditworthiness of each Fund investor. The lenders are likely to provide a Fund varying levels of credit, or no credit at all, for different investors, but all Fund investors would generally still participate in the benefits and risks associated with a credit facility’s use as described below. Generally, credit facilities provide for a specified maturity date, but a lender may have the ability to demand early repayment in the event of a default. The Fund typically pays interest on amounts borrowed under the credit facility and also pays a fee on the undrawn portion of the credit facility. Funds customarily pay a one-time fee for establishing the credit facility as well as certain other one-time and recurring fees and/or expenses.

Amounts borrowed under the credit facility will likely be secured by pledges of our right to call capital from, and the right of the Fund to receive amounts funded by, investors. The credit facility could also be secured by other collateral, including the Fund’s investments, and any investor claim against the Fund would likely be subordinate to the Fund’s obligations to the credit facility’s creditors.

While Funds tend to be the only Capital Advisors Vehicles to engage in fund-level borrowing, the following discussion assumes that Co-Investment Vehicles also borrow from time to time.

Utilizing the credit facility to borrow funds in advance or in lieu of calling capital affords us flexibility to manage cash flows to and from a Capital Advisors Vehicle’s investors and ease the investors’ burden of responding to multiple capital calls. It also allows a Capital Advisors Vehicle to act more quickly on investment opportunities, since the period of time to draw capital under a credit facility is typically shorter than the period required for calling capital from investors. However, as discussed below, utilizing borrowed funds involves risks and conflicts of interest.

These restrictions on Fund-level borrowing do not apply to other leverage within a Capital Advisors Vehicle's portfolio, such as leverage incurred at the level of a portfolio company or any subsidiary or at certain special purpose vehicles formed to invest in or hold one or more portfolio companies (each such subsidiary, a "Borrowing Subsidiary"), in each case to the extent such leverage is not recourse to the Fund. See "*Other Forms of Financing*" below.

#### *Certain Risks and Costs of Fund-Level Borrowing*

Fund-level borrowing subjects investors to risks and costs. For example, because amounts borrowed under a credit facility will likely be secured by pledges of our right to call capital from a Capital Advisors Vehicle's investors and, in limited circumstances, can also be secured by other Capital Advisors Vehicle assets, a lender could foreclose on the pledged collateral, including the investors' capital commitments and, only if applicable, the Capital Advisors Vehicle's investments, if the Fund fails to repay the amounts borrowed under a credit facility or experiences another event of default. Moreover, any investor claim against the Capital Advisors Vehicle would likely be subordinate to the Capital Advisors Vehicle's obligations to the credit facility's creditors.

In addition, fund-level borrowing will result in additional partnership expenses that will be borne by the Capital Advisors Vehicle's investors. As described below, these expenses include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of the credit facility, an upfront fee for establishing a credit facility and other one-time and recurring fees and/or expenses as well as legal fees relating to the establishment, structuring and negotiation of the terms of the credit facility, as well as expenses relating to the maintenance, renegotiating, or terminating the credit facility. Because the credit facility's interest rate is based in part on the creditworthiness of all the Capital Advisors Vehicle's underlying investors and the terms of the applicable Governing Documents, it may be higher than the interest rate a single investor could obtain individually. To the extent a particular investor's cost of capital is lower than the Capital Advisors Vehicle's cost of borrowing, fund-level borrowing can negatively impact an investor's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation, as described below.

A credit agreement or borrowing facility frequently may contain other terms that restrict the activities of the Capital Advisors Vehicle and the investors or impose additional obligations on them. For example, certain lenders or facilities may impose restrictions on the ability of the Capital Advisors Vehicle's general partner to consent to the transfer of an investor's interest in the Capital Advisors Vehicle or impose concentration or other limits on the Capital Advisors Vehicle's investments, and/or financial or other covenants, that could affect the implementation of the Capital Advisors Vehicle's investment strategy. In addition, in order to secure the credit facility, we are permitted to request certain financial information and other documentation from investors to share with lenders. We will have significant discretion in negotiating the terms of any credit facility and reserve the right to agree to terms that are not the most favorable to one or all investors.

The use of fund-level borrowings will differ based on available credit facility capacity and contractual terms applicable to each Capital Advisors Vehicle and each such credit facility. Therefore, as the credit facilities utilized by the Capital Advisors Vehicles may have different terms, while the Capital Advisors Vehicles may be invested in the same investment, and while the valuation of such investment would be consistently determined pursuant to the relevant Governing

Documents, the investment return can, in certain circumstances, differ among the Capital Advisors Vehicles as a result.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a credit facility allows us to fund investments and pay Capital Advisors Vehicle expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under the credit facility could cause liquidity concerns for investors that would not arise had we called smaller amounts of capital incrementally over time as needed by the Capital Advisors Vehicle. This risk would be heightened for an investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the investor to meet the accumulated, larger capital calls at the same time.

We may also utilize fund-level borrowing to pay management fees and to reimburse the general partner for expenses incurred on behalf of the Capital Advisors Vehicles. We are also permitted to utilize fund-level borrowing when we expect to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital at a portfolio company. If we are ultimately unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses in a declining market. In addition, co-investors generally will benefit from the Capital Advisors Vehicle's use of a credit facility without bearing any of the related costs. See "*Allocation of Co-Investment Opportunities*" above.

#### *Our Incentives to Engage in Fund-Level Borrowing*

We have incentives to engage in fund-level borrowing notwithstanding the expense and risks that accompany it. For example, we intend to present certain performance metrics, such as certain net internal rates of return and net multiples-of-money, in the Capital Advisors Vehicle's periodic reports and marketing materials for other Capital Advisors Vehicles and Related Funds. These performance metrics measure investors' actual cash outlays to, and returns from, the Capital Advisors Vehicle and thus depend on the amount and timing of investor capital contributions to the Capital Advisors Vehicle and Capital Advisors Vehicle distributions to investors. To the extent the Capital Advisors Vehicle uses borrowed funds in advance or in lieu of calling capital, investors make correspondingly later or smaller capital contributions. Also, borrowing to make distributions of proceeds from an investment enables investors to receive distributions earlier. As a result, the use of borrowed funds generally results in the presentation of higher performance metrics than simply calling capital, even after accounting for the attendant interest expense.

Fund-level borrowing can also affect the return investors in a Capital Advisors Vehicle must receive before the Capital Advisors Vehicle's general partner accrues carried interest (the "preferred return"), as well as the carried interest the general partner receives, as preferred return and carried interest generally depend on the amount and timing of capital contributions and distributions of proceeds. In particular, the preferred return typically begins to accrue after capital contributions are due (regardless of when a Capital Advisors Vehicle borrows, makes the relevant investment or pays expenses) and ceases to accrue upon return of these capital contributions. Using borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. Since a Capital Advisors Vehicle generally does not pay

preferred return on funds borrowed in advance or in lieu of calling capital, fund-level borrowing will therefore reduce the amount of preferred return to which a Capital Advisors Vehicle's investors would otherwise be entitled had we called capital, and thus could allow the Capital Advisors Vehicle's general partner to receive carried interest sooner than it would without borrowing.

Similarly, certain Capital Advisors Vehicles' carried interest rate is based in part on a net internal rate of return calculation. The net internal rate of return of the Capital Advisors Vehicles for these purposes also depends on the timing of actual investor capital contributions and not of the Capital Advisors Vehicle's deployment of capital. As a result, if we borrow money in lieu of issuing capital calls, the applicable carried interest rate may be higher than it would be had we not used borrowings. We therefore have an incentive to cause the Capital Advisors Vehicle to borrow money for investments and expenses in larger amounts or over longer periods of time.

#### *Impact on Management Fee Calculation*

The management fee payable by investors in certain Capital Advisors Vehicles depends on the amount of the investors' "actively invested capital." An investor's "actively invested capital" generally includes amounts we borrow to fund all or part of an investment in lieu of calling capital. Therefore an investor would generally pay management fees on borrowed amounts used to fund investments that have not yet been realized even though such amounts would not accrue preferred return as described above.

#### Other Forms of Financing

In addition to fund-level borrowing, we are generally able to utilize leverage at the level of a portfolio company or at one or more special purpose vehicles formed to invest in or hold one or more portfolio companies. These other forms of financing are not restricted by the Governing Documents.

#### *Portfolio Company Leverage*

Capital Advisors Vehicles invest from time to time in portfolio companies whose capital structures have significant leverage. This will increase such portfolio companies' exposure to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio companies or their industries. The incurrence of significant indebtedness could also subject portfolio companies to restrictive covenants, terms and conditions, the violation of which would be viewed by creditors as an event of default and which could require the prepayment of debt using excess cash flow. Any such restrictive covenants, terms and conditions could also limit such portfolio companies' ability to respond to changing industry conditions, make necessary capital expenditures, obtain additional financing, take advantage of growth opportunities or engage in strategic acquisitions.

#### *Special Purpose Vehicle Leverage*

A special purpose vehicle a Capital Advisors Vehicle forms to hold one or more investments may also engage in borrowing. For example, special purpose vehicles could enter into asset-backed loan arrangements, including a "margin loan," whereby they borrow money from a bank and

pledge the interests in one or more underlying portfolio companies (or other assets) as collateral for the loan. The special purpose vehicles could then use the loan proceeds for a variety of purposes, including to make investments (including follow-ons in the portfolio companies subject to the loan arrangement or new and unrelated investments), to pay expenses or to distribute the proceeds to the Capital Advisors Vehicle for further distribution to investors. Under these arrangements, the special purpose vehicle would typically be subject to a margin call if the value of the underlying assets decreases significantly. In order to meet the margin call, the special purpose vehicle would need additional assets to avoid foreclosure, in which case the Capital Advisors Vehicle could decide to contribute additional capital to the special purpose vehicle to avoid adverse consequences to the investment(s), including foreclosure on the collateral at a lower valuation. This type of leverage may be incurred by a single special purpose vehicle or by multiple vehicles, and may be collateralized by a single investment or multiple investments. Similarly, special purpose vehicles that hold one or more investments (including all of a Capital Advisors Vehicle's investments) may issue preferred equity or other equity or debt-like instruments to third-parties that have many characteristics of leverage, and use the proceeds thereof for similar purposes. Borrowing pursuant to any such special purpose vehicle financing arrangement, except to the extent such borrowings are directly recourse to a Capital Advisors Vehicle in the ordinary course, would not constitute indebtedness of the Capital Advisors Vehicle for purposes of applying the Governing Documents' limitations on borrowings. In connection with such transactions, we have authority to pledge all or certain of the Capital Advisors Vehicle's portfolio companies, including on a cross-collateralized basis, without taking into account the potential for non-pro rata investments by investors as a result of any particular investor's opt-out rights. Due to the highly collateralized nature of these arrangements, the negative performance of one asset may materially and adversely impact the performance of other investments or the Capital Advisors Vehicle as a whole. Investors with no or different interests in certain investments (e.g., due to exercise of excuse rights) would nevertheless be exposed to risks associated with the Capital Advisors Vehicle's investment in such investments. For example, an investor may be required to fund amounts to repay borrowings incurred in connection with an investment or managing the Capital Advisors Vehicle's investment portfolio even if such investor did not participate in the relevant investment(s) in connection with which such borrowings were incurred. Lenders may also foreclose on the relevant assets in the event of default, which could have a material adverse effect on the value of an investor's investment in the Capital Advisors Vehicle.

#### *Certain Risks and Costs of Leverage Below a Fund*

Even though it presents many of the same risks as Fund-level borrowing, indebtedness of entities other than a Fund will not be treated as Fund-level borrowing for purposes of the Governing Documents, even if the special purpose vehicles or other entities incurring such leverage engage in borrowings that are cross-collateralized with or among multiple investments such that multiple investments and a substantial portion of a Fund's value are at risk. As a result, these borrowings will not be subject to any limitations on Fund-level borrowing in the Governing Documents and the Funds may use the proceeds of such loans to make a distribution, even in the absence of a disposition of the assets. Since we have more flexibility to engage in these structures, we are incentivized to incur significant leverage at the level of holding vehicles beneath a Fund. The negative performance of one asset may materially and adversely impact the performance of other investments or a Fund as a whole. Investors with no or different interests in certain investments

(e.g., due to exercise of excuse rights) would nevertheless be exposed to risks associated with a Fund's investment in such investments.

### Fund Guarantees

In addition to Fund-level borrowing, the Capital Advisors Vehicles expect to act as guarantors or sureties when we consider it necessary, appropriate or incidental to the accomplishment of the purposes of the applicable Capital Advisors Vehicles. The principal amount of Fund guarantees of third-party indebtedness for borrowed money outstanding at any given time are permitted under the Governing Documents of certain Funds, and are typically subject to a cap. A Fund guarantee is sometimes beneficial for increasing the availability, type or amount of financing for the borrower or allowing the borrower to negotiate more favorable terms from the lenders. Some examples of how we expect to use Fund guarantees, or other forms of Fund surety, with respect to the indebtedness of other entities include but are not limited to:

- *Portfolio company indebtedness:* As described above, portfolio companies will incur indebtedness. A Fund could provide a guarantee of a portfolio company's indebtedness.
- *Qualified borrower structures:* A portfolio company (or special purpose vehicle of a Fund) could join a Fund's credit facility, and borrow amounts directly under it, as a "qualified borrower," with the Fund providing a guarantee of the borrowing. The portfolio company or special purpose vehicle is an obligor under the loan, receives the loan proceeds and has responsibility for its repayment. However, in the event of default, the lender would have recourse to the Fund under the guarantee without a requirement to first attempt to collect from the portfolio company or special purpose vehicle.
- *Asset-based loans:* Special purpose vehicles we form to hold one or more investments could incur indebtedness, which may include pledging its investments as collateral for the loan. A Fund could provide a guarantee of this indebtedness.

Often these arrangements are put in place concurrently with the closing of the applicable Fund investment and can help finance a Fund's payment of the purchase price of its investments. Other times, these arrangements can be put in place after the investment(s) have been made, often after they have appreciated in value.

While these arrangements present many of the same risks and conflicts associated with Fund-level borrowings, these guarantees and the underlying indebtedness do not constitute Fund-level borrowing for purposes of the Funds' Governing Documents and are not subject to the restrictions on Fund-level borrowing described above. If we utilize a Fund guarantee where we expect to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital at a portfolio company or investment holding vehicle, and we are ultimately unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses in a declining market.

The Governing Documents typically cap a Fund's ability to guarantee third-party indebtedness. We expect to be able to manage the Funds such that there is sufficient liquidity to meet these obligations if they arise. There is a risk, however, that a Fund will not have sufficient assets to

satisfy its obligations if the Fund guarantees indebtedness in excess of its unused capital commitments.

For the avoidance of doubt, guarantees provided by entities other than the Funds (including guarantees provided by special purpose vehicles or subsidiaries that hold one or multiple underlying investments) are not Fund guarantees and are not subject to the restrictions described above.

The Capital Advisors Vehicles expect to enter into guarantees or other forms of surety with respect to the indebtedness of third parties, including portfolio companies. In these circumstances, the creditor typically would have recourse to the Capital Advisors Vehicle to satisfy the obligations of the third party. These arrangements pose many of the same risks and conflicts associated with fund-level borrowings. Although Governing Documents typically cap a Capital Advisors Vehicle's ability to enter into such guarantee or surety arrangements, the caps are generally incremental to the fund-level borrowing limits.

#### Other Fund Contractual Obligations

In connection with its investing activities, a Capital Advisors Vehicle expects to enter into contractual arrangements, including deferred or contingent purchase price payments, staged funding obligations, earn outs, milestone payments or other phased payments or similar arrangements, intercompany loans, equity commitment letters and various other forms of credit support and other contractual undertakings such as indemnification obligations, completion, lease-up, carry, interest rate or similar guarantees, guarantees or indemnification obligations with respect to "non-recourse carve outs," "bad boy acts" or other industry accepted carve outs with respect to indebtedness (including misapplication of funds, bankruptcy and environmental indemnities), in each case that obligate it to fund amounts to portfolio companies, other subsidiaries, special purpose vehicles or other third parties, or any similar arrangements. These arrangements, as well as various other borrowings and other contingent obligations, do not constitute indebtedness under the applicable Governing Documents and are not subject to the related caps and other restrictions, even though these arrangements pose many of the same risks and conflicts associated with the use of leverage that the caps and other restrictions intend to address.

#### Interpreting the Fund-Level Borrowing and Guarantee Provisions

Leverage arrangements are complex, often involving detailed, multi-party agreements. Moreover, leverage structures available to the Funds, their portfolio companies and related entities will evolve over time, driven by market developments, economic conditions, a Fund's portfolio of investments, a Fund's life cycle and other factors. During the life of a Fund, we will need to make a determination whether under the Governing Documents each particular leverage structure constitutes Fund-level borrowing, a Fund guarantee of borrowed money, some combination of both, or neither. We will make this determination in our discretion. For example, "hybrid" financing arrangements may involve subscription-based and asset-based facilities, with or without Fund credit support. We will determine the treatment of each arrangement under the Governing Documents in good faith based on its specific terms and structure, in consultation with external legal counsel where appropriate. While we seek to apply a generally consistent framework and



approach, the facts and circumstances applicable to each situation are unique and will be determinative.

### Cross-Default

Capital Advisors Vehicles can borrow (or cause its subsidiaries to borrow) on a joint, several, joint and several, cross-collateralized, cross-defaulted or on any other basis that the general partner determines is fair and reasonable to the Capital Advisors Vehicles with related vehicles, including any parallel investment entities, any side-by-side separate accounts, any lockstep vehicles, alternative investment vehicles, special purpose vehicles and vehicles formed to facilitate co-investment including by Capital Advisors Personnel. Capital Advisors Vehicles and these vehicles can engage in fund- or asset-level financing whereby (i) the Capital Advisors Vehicle and/or such vehicles are jointly responsible on a cross-collateralized basis for the repayment of the financing and/or (ii) the commitments of investors in the Capital Advisors Vehicle and/or such vehicles are pledged to secure the financing obtained for the benefit of such other vehicles. When we call capital to satisfy the indebtedness, it is possible a Capital Advisors Vehicle investor will contribute in excess of its pro rata share of the indebtedness if other Capital Advisors Vehicle investors or the investors in the related vehicles fail to honor their commitments. While we intend for the Capital Advisors Vehicles, where appropriate, to enter into back-to-back agreements with related vehicles in respect of certain types of credit support, or we will otherwise seek to cause such related vehicles to act in a manner as if such a back-to-back agreement were in place, a Capital Advisors Vehicle would still be subject to the risk of default by such other vehicles.

We intend to enforce these arrangements for the benefit of the investors of Capital Advisors Vehicles, but we may not always be able to do so (including if a related vehicle defaults on its obligations to a Capital Advisors Vehicle). In addition, to the extent multiple assets or investments are pledged to support a single borrowing, whether or not that borrowing constitutes Fund-level borrowing, multiple assets of a Capital Advisors Vehicle will be at risk. As a result, negative performance of a single asset may materially and adversely impact the performance of other Capital Advisors Vehicle investments or the Capital Advisors Vehicle as a whole. Investors may have interests in certain investments that are disproportionate to their interests in other investments (for example, without limitation, due to excuse, exclusion or opt-outs). As a result, an investor may be indirectly exposed to leverage risks associated with investments in which they do not participate, or in which they participate to a lesser extent, and the distributions they receive may be reduced, and their investment in the Capital Advisors Vehicle may be materially and adversely impacted, by the negative performance of one or more investments in which they do not otherwise have an interest.

The Capital Advisors Vehicles expect to utilize their respective credit facilities and enter into other similar arrangements and extensions of credit for the benefit of co-investors (including affiliated co-investors) that invest alongside a Capital Advisors Vehicle in one or more investments. For example, a Capital Advisors Vehicle could draw from a credit facility to fund such co-investor's pro rata share of an investment or expense related to an investment. We have an incentive to cause such co-investors or Co-Investment Vehicles to engage in these or similar cross-collateralized arrangements, because the commercial terms available to such vehicles would typically be better than those available on a standalone basis.

Similarly, to the extent a Capital Advisors Vehicle invests in the same or related assets as another Capital Advisors Vehicle or Related Fund, we reserve the right to structure the investment financing so that the Capital Advisors Vehicle is jointly and severally liable for the financing with the other Capital Advisors Vehicles or Related Funds. We expect this to arise, for example, if a Capital Advisors Vehicle and Related Fund were to invest in the same portfolio company and provide a joint and several guarantee for its indebtedness. Joint and several liability could result in the Capital Advisors Vehicle repaying all, or more than its proportionate share, of the indebtedness, exacerbating some of the risks and conflicts described above.

In addition, certain Capital Advisors Vehicles are permitted to utilize indebtedness to pay for deposits or other investment expenses and costs in advance of the final determination of the investment allocations among the Capital Advisors Vehicle and other Capital Advisors Vehicles and Related Funds. In such a circumstance, although the other Capital Advisors Vehicle and Related Funds would be expected to repay the Capital Advisors Vehicle for its portion of these amounts (including related interest expense) in the event it ultimately participates in the investment, the Capital Advisors Vehicle would be subject to risk of default by the other Capital Advisors Vehicles and Related Funds. Similarly, certain Capital Advisors Vehicles are permitted to utilize indebtedness for purposes of warehousing co-investment opportunities. As described above under “*Allocation of Co-Investment Opportunities*,” and below under “*Co-Investment Warehousing*” this presents additional risks and conflicts of interest.

#### Tax Effects

The Capital Advisors Vehicles expect to borrow funds, directly or indirectly, including to make investments in portfolio companies. To the extent a Capital Advisors Vehicle borrows or is deemed to borrow for U.S. federal income tax purposes, it may hold debt financed property that may produce “unrelated business taxable income” as defined in Section 512 of the Code (“UBTI”) for a tax exempt investor. In addition, to the extent a Capital Advisors Vehicle guarantees the borrowing of a portfolio company or a creditor otherwise relies on the creditworthiness of the Capital Advisors Vehicle to support its lending to a subsidiary of the Capital Advisors Vehicle, the provision of such credit support and the receipt (or deemed receipt) of guarantee fees may create additional risk of UBTI for tax-exempt investors. A Capital Advisors Vehicle’s provision of credit support to a portfolio company may also, in certain cases, create the risk of adverse tax consequences for non-U.S. investors. For example, the U.S. Internal Revenue Service (the “IRS”) could assert that any compensation received by a Capital Advisors Vehicle for such guarantees should be treated as income that is effectively connected income with the conduct of a trade or business within the United States for U.S. federal income tax purposes (“ECI”) or “commercial activities income” (“CAI”), each as defined for U.S. federal income tax purposes or be subject to withholding taxes. The general partners may evaluate the facts and circumstances of any such guarantees in order to mitigate the risks associated with such structures.

#### *Co-Investment Warehousing*

A Capital Advisors Vehicle may acquire and temporarily set aside, or “warehouse,” a portion of an investment opportunity in order to facilitate a co-investment by one or more co-investors (including affiliated co-investors), and investment restrictions that are otherwise applicable to a Capital Advisors Vehicle will not apply to any such warehoused investments. If the co-investment

of the “warehoused” portion is not ultimately consummated, the Capital Advisors Vehicle or the participating investors would end up holding a larger portion of the investment than it otherwise expected or desired to hold. The risk of a co-investment not being consummated generally would increase in the event an investment decreases in value during the warehousing period, potentially requiring the Capital Advisors Vehicle to bear the losses in connection with the investment. We typically determine the cost of the co-investment in our sole discretion, taking into account its cost to the relevant Capital Advisors Vehicle, the cost of capital and other factors, and may not charge the co-investors an amount that accurately reflects any appreciation in the value of the investment or appropriately compensates the Capital Advisors Vehicle for the costs and risks incurred during the holding period. Therefore, depending on the change in value of the investment during such interim period, the Capital Advisors Vehicles may not receive the full benefit of any increase in value. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the applicable Capital Advisors Vehicle.

In addition, we or our affiliates may acquire and temporarily warehouse a portion of an investment opportunity to facilitate a co-investment (which may include one or more investors), and to retain such amounts not ultimately syndicated. In the event that we retain any such amounts not ultimately syndicated, we are permitted to either continue to hold such investment opportunity or to dispose of our interest in such investment opportunity, which disposition may be at a different time from when a Capital Advisors Vehicle disposes of its interest in such investment opportunity. Conflicts of interest are expected to arise in connection with these affiliate transactions, including with respect to timing, structuring, pricing and other terms. In addition, the equity committed/used in any such underwriting by us and our affiliates may come from our own balance sheet and/or from one or more third parties that enter into arrangements with us with respect thereto, and may come from another Capital Advisors Vehicle and/or Related Fund. In such circumstances, we will have the right to earn underwriting and/or syndication fees from the portfolio company, or the purchasers of such equity, and the Capital Advisors Vehicles and investors will not be entitled to share in or receive the benefit of any such underwriting and/or syndication fees. As a result, we may be incentivized to underwrite and/or syndicate amounts of equity in investments due to the right to earn fees not subject to offset in favor of the investors, even if the capital used to underwrite such amounts do not come entirely from our own balance sheet as described above, and we may share such fees with one or more third parties that commit to such equity investments and may charge purchasers of the equity fees and carried interest with respect thereto.

#### *Conflicts Relating to Interests in Non-Affiliated Entities*

The Governing Documents’ provisions that relate specifically to our affiliates do not apply to companies, funds or other entities that are not, or are no longer, our affiliates for purposes of the Governing Documents, even if the Capital Advisors Vehicles and/or Related Funds, us and/or our personnel have significant economic interests and/or non-controlling governance rights in such entities or have agreed to a transaction that would cause TPG and such entities to become affiliated in the future. For example, TPG and certain other TPG platforms and funds have made and expect to continue to make investments in unaffiliated fund managers or other investment vehicles managed by a third party (including private equity funds, hedge funds, real estate funds and other similar investment vehicles), which may include potential competitors of TPG or the Capital Advisors Vehicles and which entities may from time to time engage in similar investment transactions as the Capital Advisors Vehicles, including with respect to purchase and sale of

investments. These unaffiliated fund managers or investment vehicles may invest in similar industries and sectors, or in the same portfolio companies (including in different levels of the company's capital structure), as the Capital Advisors Vehicles and there may be situations in which such unaffiliated fund manager or investment vehicle purchases securities from, or sells securities to, the Capital Advisors Vehicles. Additionally, TPG and its personnel enter into joint ventures or similar arrangements with unaffiliated fund managers that entitle us or our personnel to material amounts of carried interest, management fees and other economics related to the funds they manage and their other activities. We and/or our personnel also often have minority governance rights in these ventures, such as information rights and veto, change of control and other protections. We expect to assist these fund managers and their sponsored funds with their fundraising and investment activities, including by offering them the opportunity to co-sponsor, or co-invest in, Fund investments, potentially on more favorable terms than we offer others. We expect a Capital Advisors Vehicle to also transact directly with unaffiliated fund managers and their sponsored funds, including in relation to the purchase or sale of fund assets and interests. In addition to investing in unaffiliated fund managers, we and/or our personnel expect to acquire economic interests and minority governance rights in other companies, including those that provide services to, and receive compensation from, a Capital Advisors Vehicle and/or its portfolio companies. Transactions described above, including but not limited to those by a Capital Advisors Vehicle or its portfolio companies with or alongside non-affiliated entities generally would not trigger the advisory committee disclosure, review or consent provisions of the Governing Documents applicable to transactions with affiliates, regardless of whether they are on arms'-length terms. Similarly, any fees or compensation a Capital Advisors Vehicle or its portfolio companies pay to such entities would not offset the Capital Advisors Vehicle's advisory fees even if we and/or our personnel have an indirect material economic interest in the entities. In addition, investment opportunities sourced by these ventures generally would not be subject to a Capital Advisors Vehicle's "duty-to-offer" provisions, which only apply to investments presented to our affiliates, notwithstanding the role our employees play in evaluating and consummating such investments.

On May 1, 2020, TPG and Sixth Street Partners announced a mutual agreement to amend their relationship and formally operate as independent, unaffiliated businesses. While Sixth Street Partners and its clients are no longer our affiliates, including for purposes of the Governing Documents (and its funds are not "Related Funds" for purposes of this brochure), TPG has retained a passive minority economic interest in Sixth Street Partners, and is providing it certain transition services, such as IT and accounting services. The two firms have protocols in place to prevent the sharing of information between each other, and provide training as well as periodic reminders regarding the protocols. As a result, we believe the opportunity for a conflict of interest to arise between TPG and Sixth Street Partners is in many cases eliminated. Nonetheless, these ongoing business arrangements, as well as the close business relationship TPG has built with Sixth Street Partners across an eleven-year partnership, including certain legacy investments that TPG's funds and Sixth Street Partners' funds previously invested in alongside one another, could continue to present at least an appearance of conflicts of interest between Sixth Street Partners and TPG, including of the type we highlight in this section and specifically as described in the preceding paragraph. Additional examples of potential conflicts include the possibility that a Sixth Street Partners fund will from time to time invest in a competitor of a Capital Advisors Vehicle's portfolio company or in a different part of the capital structure of a Capital Advisors Vehicle's portfolio company, giving rise to some extent to the same conflicts described above under "*Conflicts Related*

*to Other Investments by Capital Advisors Vehicles and Related Funds” and “Conflicts Related to Investing in Different Levels of the Capital Structure,” respectively. Certain additional conflicts we discuss in this Item 11 could also continue to arise to some degree, including, for example, those described under Item 11 – “Diverse Membership;” “Conflicts Relating to Services Provided by Related Persons;” “Platform Companies;” “Conflicts Arising from Interactions with Portfolio Companies;” “Conflicts Related to Transactions with Other Capital Advisors Vehicles or Related Funds;” “Investing Alongside Other Capital Advisors Vehicles or Related Funds;” “Conflicts Arising from Business with Certain Investors;” “Conflicts Related to Legal Counsel and Other Service Providers Engaged by Capital Advisors Vehicles and Related Funds;” “Allocation of Co-Investment Opportunities;” “Conflicts Arising from Other Investment Activities of the Capital Advisors Vehicles and Related Funds – Certain Bankruptcy Implications;” “Conflicts Relating to Rates of Third-Party Advisors and Other Service Providers.”*

#### *Conflicts Relating to Activities and Compensation of TPG Operations/Business Building Professionals*

We engage operations and business building professionals to assist our investment teams in creating value in our portfolio. Some of these professionals are TPG employees and others are consultants. The activities and compensation of these individuals vary depending on whether they are Operations Group professionals, Field Operations professionals or Senior Advisors:

- The TPG Operations team (sometimes referred to as the Business Building Team) is generally comprised of Operations Group professionals and Field Operations professionals.
  - Our Operations Group professionals are TPG employees who provide industry-specific senior-level engagement with portfolio companies and also work directly with our deal professionals on new deal diligence. They typically receive cash compensation from us, and we are authorized to grant them carried interest in Capital Advisors Vehicles. As described below (see “*Providers of Specialized Operational Services to Portfolio Companies*”), we receive reimbursement for the compensation and related expenses associated with Specialized Operational Services performed by members of our Operations Group, even though they are TPG employees.
  - Our Field Operations professionals have deep, specialized operating experience. Some of these professionals are sector specialists who focus on a particular industry. They are typically embedded within portfolio companies and given responsibility for narrowly defined initiatives that are part of a broader value creation plan, such as lean manufacturing, construction management, property management, sourcing, supply chain management or new product introduction. They sometimes also act as interim members of management for portfolio companies. Field Operations professionals typically have tailored compensation arrangements specific to their engagement. They can receive compensation from us or a portfolio company, including equity grants from a portfolio company, depending on their individual arrangement and the services they provide. Most of our Field Operations professionals’ compensation is generally either paid or

reimbursed by portfolio companies and Capital Advisors Vehicles as a Specialized Operational Service expense or project service expense (depending on the type of service provided), regardless of whether we engage them as employees or consultants. For more information about Specialized Operational Services, see *“Providers of Specialized Operational Services to Portfolio Companies”* below.

- Our “Senior Advisors” include consultants who have established industry and/or regional expertise and are available to assist us with transaction sourcing, due diligence, valuation, structuring, consulting and similar matters and to serve on the boards of directors of portfolio companies. We also engage other similar consultants with, for example, more narrow expertise. Senior Advisors and such other consultants typically have tailored compensation arrangements specific to their engagement. They can receive compensation in multiple forms, depending on their individual arrangement and the services they provide, including cash payments from us, a Capital Advisors Vehicle or a portfolio company, carried interest in the Capital Advisors Vehicles, profits interests in a portfolio company, equity or stock option grants from a portfolio company, and fees and carried interest relating to a particular transaction. Compensation from portfolio companies to our Senior Advisors and other consultants generally do not offset the advisory fees payable by investors in the related Capital Advisors Vehicles, see *“Conflicts Relating to Activities and Compensation of Senior Advisors”* below.

We determine in our discretion whether to engage an operations professional as a TPG employee or as a consultant. Sometimes, an operations professional is initially engaged as a consultant and later transitions to employee status. Conversely, sometimes an operations professional is initially an employee and later becomes a consultant. Our determination regarding whether to engage an operations professional as either a TPG employee or a consultant can give rise to conflicts of interest because, in general, except with respect to certain in-house, foreign office, Specialized Operational Services and project services, the compensation costs for TPG employees are borne by us, whereas compensation costs for consultants are permitted to be paid by us, a Capital Advisors Vehicle or Related Fund or a portfolio company, as described above. Where an operations professional is performing a Specialized Operational Service for a Capital Advisors Vehicle or portfolio companies, the Governing Documents of certain Capital Advisors Vehicles allow us to be reimbursed for the costs of those services, regardless of whether the professional providing the service is a TPG employee or consultant.

#### *Conflicts Relating to Activities and Compensation of Senior Advisors*

We maintain business relationships with certain advisors and consultants who we expect to assist or advise us with respect to transaction sourcing, due diligence, valuation, structuring, consulting or similar matters and to serve on the board of directors of, or in other similar capacities with respect to, one or more portfolio companies of Capital Advisors Vehicles; in some cases, these individuals are former TPG employees or otherwise have close business and personal relationships with TPG. We generally refer to these individuals as “Senior Advisors.” In addition, we also expect to utilize other similar consultants with, for example, more narrow expertise.

Senior Advisors are independent contractors. They are not our employees, even if most or all of their work is performed on our behalf or at our direction, they perform the same or similar activities

as our employees, they have more access to and involvement in our business activities than other third-party consultants or they share other attributes with TPG employees, such as TPG-provided administrative support or TPG-related email addresses or business cards. Senior Advisors are generally not our affiliates for purposes of the Governing Documents and therefore typically are not subject to certain restrictions and conditions that relate specifically to our employees and affiliates. For example, a Capital Advisors Vehicle expects to make payments to a Senior Advisor, and any fees portfolio companies pay to Senior Advisors (such as sourcing fees or directors' fees) or profits interests or other compensation received by Senior Advisors from portfolio companies or their holding structures will not reduce the advisory fees payable by investors in the Capital Advisors Vehicle, even if such amounts would reduce the advisory fee if they were paid to our affiliates. Furthermore, in the event we hire a Senior Advisor as an employee or otherwise elect to treat such person as our affiliate, any profits interests or other compensation amounts payable by a portfolio company or a Capital Advisors Vehicle to such Senior Advisor pursuant to an arrangement that was entered into prior to such Senior Advisor becoming our affiliate will not be considered "portfolio fees" and will not reduce the advisory fees payable by investors in the Capital Advisors Vehicle. In the event a Senior Advisor is paid an annual retainer, the value provided to the relevant Capital Advisors Vehicle and/or portfolio company by such Senior Advisor may vary year to year and there can be no assurance that the annual retainer paid will be commensurate with the value provided by the Senior Advisor. In some instances, Senior Advisors provide operational services to portfolio companies. Moreover, Senior Advisors will often make personal investments in portfolio companies alongside Capital Advisors Vehicles, and Capital Advisors Vehicles are not prohibited from investing in portfolio companies in which Senior Advisors hold existing material investments. Similarly, a Capital Advisors Vehicle is permitted to co-invest in portfolio companies alongside funds that are managed by Senior Advisors or invest in portfolio companies in which such funds have an existing material investment.

We believe that the expertise of Senior Advisors will benefit the Capital Advisors Vehicles. Relying on Senior Advisors, however, creates conflicts of interest. For example, we typically determine the amount of compensation that will be paid to Senior Advisors, but as described above under "*Conflicts Relating to Activities and Compensation of TPG Operations/Business Building Professionals*," portfolio companies or a Capital Advisors Vehicle ultimately pay or reimburse us for such compensation. The close business or personal relationships that some Senior Advisors have with us give us less incentive to negotiate with a prospective Senior Advisor for a lower level of compensation. The appropriate level of compensation for a Senior Advisor can be difficult to determine, especially if the expertise and services he or she provides are unique and/or tailored to the specific engagement. In addition, given that we (and not a Capital Advisors Vehicle) otherwise pay the salaries of our employees, we have incentives to retain individuals as Senior Advisors instead of hiring them as employees, or to convert existing employees to Senior Advisors. Finally, conflicts of interest may arise in the event that a Senior Advisor serves as a director on the board of, or in any similar capacity with respect to, more than one portfolio company or on behalf of multiple Capital Advisors Vehicles and/or Related Funds (see "*Conflicts Arising from Service by Our Professionals on Portfolio Company Boards of Directors*").

#### *Conflicts Relating to Activities and Compensation of Other Third Parties*

In addition to Senior Advisors, we will retain other third parties, such as accountants, administrators, lenders, bankers, brokers, attorneys, sourcing persons, asset managers, property

managers, contractors, developers, leasing agents, and servicers and other consultants, to provide services to the Capital Advisors Vehicles, including certain strategic partners as described in “*Conflicts Arising from Strategic Relationships*” below. These services may relate to sourcing, conducting due diligence on or developing potential investments, as well as structuring, managing, monitoring and disposing of investments. In many cases, these are the types of services that TPG employees could also provide or have in the past provided. Determining whether to engage a third party or a TPG employee gives rise to conflicts of interest because we generally bear, with the exception of certain in-house, foreign office, Specialized Operational Services and project services paid or reimbursed to us under the Governing Documents (see “*Certain In-House Services*,” “*Specialized Operational Services*,” “*Foreign Office Services*” ), the compensation costs of, or other amounts payable to, TPG employees who render these services, while amounts paid to third parties are typically an expense of the relevant Capital Advisors Vehicle ultimately borne by its investors. We therefore have an incentive to retain third parties rather than hire additional TPG employees and to outsource to third-party service providers functions that TPG employees could perform or have previously performed.

Certain Capital Advisors Vehicles will invest through partnerships, joint ventures, or other entities alongside one or more other operating partners or co-venturers (which we refer to collectively as “co-venturers”). Co-venturers may include the seller of a property, a person involved in the selling, identification, acquisition, or management of an investment, an investor in a Capital Advisors Vehicle or Related Fund, a partner or investor in another joint venture (or other vehicle that we control), or another third party. For their role in an investment, co-venturers are expected to receive equity in the investment vehicle and may also receive payments, performance-based compensation, and/or another form of interest (such as a profits interest or carried interest) from the investment vehicles (or a Capital Advisors Vehicle) and such interests could result in significant payments to co-venturers. In these circumstances, we will treat these amounts as investment expenses and will not apply them to offset the management fee, even if they have the effect of reducing any amounts, such as retainers, that we would otherwise bear.

For certain Capital Advisors Vehicles, we expect to perform services for partnerships or joint ventures in which a co-venturer has an interest. We expect to receive fees, expense reimbursements, and other payments with respect to these services, including in respect of the co-venturer’s interest. Any fees, reimbursements, or other payments we receive in respect of a co-venturer’s interest (that is, in addition to a Capital Advisors Vehicle’s allocable share of such fees and reimbursements) would not constitute portfolio fees and thus would not offset the management fee.

In addition to relying on third parties generally as described above, certain Capital Advisors Vehicles expect to engage third parties (including as co-venturers) to assist with the acquisition, development, construction, renovation, property management, leasing or operation of its portfolio investments. In many cases, these are services that Capital Advisor Personnel could provide or in the past have provided. A Capital Advisors Vehicle will pay to these third parties, in addition to any equity or other investment-related compensation, any related development fees, incentive fees, promotes, carried interest, acquisition fees, asset and other management fees, and other amounts. When a Capital Advisors Vehicle pays these amounts to unaffiliated third parties (including co-venturers), the management fee will not be reduced. As such, the cost to investors of a Capital



Advisors Vehicle engaging third parties for these purposes is generally higher than the cost of relying on Capital Advisors Personnel or other affiliates.

When a Capital Advisors Vehicle makes an investment through a joint venture, it may also rely on a third-party property manager to manage or operate the underlying properties on a day-to-day basis. Further, the return on any investment with respect to which a third party is engaged will depend in large part on the ability of such third party to effectively develop, operate, lease, and/or improve the properties on economically favorable terms. Such third parties often provide the same services to properties owned by themselves and others (including other Capital Advisors Vehicles or Related Funds) that compete with a Capital Advisors Vehicle's investment. In these circumstances, the interests of a Capital Advisors Vehicle's investment could conflict with those of the properties owned by others, and such third parties have an incentive, by virtue, for example, of the manner in which they are compensated, to favor others over the Fund.

#### *Conflicts Relating to Rates of Third-Party Advisors and Other Service Providers*

As described above, the Capital Advisors Vehicles and their portfolio companies will retain or pay for advisors and service providers, including accountants, administrators, alternative investment fund managers, depositaries, custodians, lenders, bankers, brokers, attorneys, sourcing persons, other consultants, asset managers, property managers, co-venturers, contractors, developers, leasing agents and servicers. Some of these advisors and service providers also provide services to or have other relationships with TPG. While we will generally seek to engage and recommend advisors and service providers on behalf of the Capital Advisors Vehicles and their portfolio companies on the basis of the quality of the advice and other services provided, these relationships could influence our decision to select or recommend an advisor or service provider to perform services for the Capital Advisors Vehicles or their portfolio companies (the cost of which will generally be borne directly or indirectly by the Capital Advisors Vehicles or their portfolio companies, as applicable). In certain circumstances, advisors and other service providers charge rates or establish other terms for advice and services provided to TPG, Related Funds or any of their respective affiliates or portfolio companies that are different from and more favorable than those charged in respect of advice and services provided to the Capital Advisors Vehicles and their portfolio companies. Moreover, whereas we typically negotiate on a matter-specific basis the rates or amounts payable for such services, the Capital Advisors Vehicles or their portfolio companies are expected from time to time to pay higher rates or amounts than we otherwise would for such services.

As noted in Item 5, we expect the Capital Advisors Vehicles and their portfolio companies to participate in arrangements that involve payments, discounts, reimbursements or other benefits to us or our affiliates. For example, we currently afford certain portfolio companies the opportunity to participate in a program with us, our affiliates and other portfolio companies pursuant to which one of our affiliates negotiates favorable procurement arrangements. We and our affiliates, together with participating portfolio companies, receive the favorable procurement terms, which we are able to secure due in part to the involvement of our portfolio companies. This program is a Specialized Operational Service provided to participating portfolio companies, and therefore our affiliates receive reimbursements from a Capital Advisors Vehicle and its portfolio companies to cover the cost of administering the program through the method described in “*Item 11—Providers of Specialized Operational Services to Portfolio Companies*” and such reimbursements are not

subject to advisory fee offsets or otherwise shared with the Capital Advisors Vehicles. Because the cost of administering this program is shared among the participants, we will disproportionately benefit from it to the extent we utilize a greater number of the favorable procurement arrangements to a greater degree than any of the participating portfolio companies.

#### *Conflicts Arising from Service by Our Professionals on Portfolio Company Boards of Directors*

Our professionals frequently serve on the boards of directors or in other similar capacities of our portfolio companies, including those of the Capital Advisors Vehicles, by virtue of the governance agreements we typically negotiate with portfolio companies in connection with an investment. While the interests of a Capital Advisors Vehicle as a shareholder in a portfolio company generally align with the interests of shareholders more broadly, it is possible that our professionals' fiduciary duties to the portfolio company and its shareholders as directors will conflict with the interests of the Capital Advisors Vehicle. For example, it may be inconsistent with a director's fiduciary duties to share information he/she receives regarding the relevant portfolio company with Capital Advisors Personnel overseeing an investment in a different portfolio company even though that information would be beneficial to the other portfolio company and hence some Capital Advisors Vehicles. Additionally, such positions could impair the ability of a Capital Advisors Vehicle to sell the securities of an issuer in the event a director receives material non-public information by virtue of his or her role, which would have an adverse effect on the Capital Advisors Vehicle. Decisions made by a director or a person serving in a similar capacity may also subject us, our affiliates or the Capital Advisors Vehicles to claims they would not otherwise be subject to as an investor in a portfolio company, including claims of breach of duty of loyalty, securities claims and other director-related claims. In addition, to the extent our professionals serve as directors or in other similar capacities on the boards of more than one portfolio company, such professionals' fiduciary duties among the two portfolio companies may create a conflict of interest. Similarly, to the extent our professionals serve as directors or in other similar capacities on the boards of portfolio companies in which multiple Capital Advisors Vehicles and/or Related Funds invest, such professionals may act in the interest of one (and not all) of such Capital Advisors Vehicles and/or Related Funds and/or not necessarily in the interest of any one Capital Advisors Vehicle. Furthermore, Capital Advisors Personnel serving as a director or in a similar capacity to a portfolio company owes a fiduciary duty to the portfolio company, on the one hand, and the relevant Capital Advisors Vehicle, on the other hand, and such Capital Advisors Personnel may be in a position where he or she must make a decision that is either not in the best interest of the Capital Advisors Vehicle, or is not in the best interest of the portfolio company.

#### *Conflicts Arising from Interests of Our Professionals in the Capital Advisors Vehicles and Related Funds*

Our professionals generally participate indirectly in investments made by the Capital Advisors Vehicles and/or Related Funds. While we believe this helps align the interests of our professionals with those of the Capital Advisors Vehicles' and Related Funds' other investors and provides a strong incentive to enhance Fund performance, these arrangements also give rise to conflicts of interest. For example, our professionals have an incentive to influence the allocation of an attractive investment opportunity to the Fund in which they stand to personally earn the greatest return, although the involvement of a substantial number of professionals in our investment review process mitigates the ability of any single person to control an investment decision. Some of our

professionals also have personal investments in entities that are not affiliated with us such as investment funds managed by other sponsors that compete for the same investment opportunities or acquire an investment from, or dispose of an investment to, a Capital Advisors Vehicle or Related Fund, which likewise gives rise to conflicts of interest. Our Code of Ethics generally requires Capital Advisors Personnel to disclose such ownership interests periodically.

TPG and its personnel may, at any time, transfer their interests in a Capital Advisors Vehicle to a third party so long as TPG's capital commitment following such transfer satisfies the required minimum commitment applicable to the Capital Advisors Vehicles. As a result of such a transfer, interests in the Capital Advisors Vehicles that were previously non-voting interests may become voting interests. In addition, commitments of TPG-controlled vehicles would not be included in any cap on third-party commitments to the Capital Advisors Vehicles during the fundraising period, and any amounts transferred to a third party after the final closing of the Capital Advisors Vehicles would not count toward the Capital Advisors Vehicles' cap but could bear advisory fees and carried interest. In addition, one or more investment vehicles formed by us for business associates and other "friends of the firm" of us to invest in a Capital Advisors Vehicle as a "feeder fund" or alongside a Capital Advisors Vehicle as a parallel investment entity (each, an "FOF Fund"), or investors in an FOF Fund (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles) (each an "FOF Investor"), may transfer all or a portion of their interest to third parties. Interests in FOF Funds often benefit from discounted or no advisory fees or carried interest, and are not included in determining any cap on third-party capital commitments to a Capital Advisors Vehicle during its fundraising period, and any amounts transferred to a third party after the final closing of the Capital Advisors Vehicle would not count toward any cap on third-party commitments to the Capital Advisors Vehicle, but may be charged advisory fees and/or carried interest in our discretion.

Subject to any limitations as set forth in the Governing Documents of a Capital Advisors Vehicle, the general partner of a Capital Advisors Vehicle may, in its discretion, under certain circumstances elect to increase its commitment to such Capital Advisors Vehicle prior to the final close of the Capital Advisors Vehicle without the consent of investors. Any increased commitment by the general partner will dilute the interests of the investors. The general partner has information about the Capital Advisors Vehicle's investments, including regarding their valuation and performance expectations, which investors do not have and that information may inform its decision whether to increase its capital commitment. Therefore, we have a conflict of interest in deciding to increase the general partner's subscription because a decision to increase its subscription may result in the general partner receiving value that would have otherwise benefitted investors.

#### *Conflicts Arising in the Allocation of Our Professionals' Time and Attention*

The success of a Capital Advisors Vehicle will depend on our investment professionals' ability to, among other things, source, underwrite, structure, complete, finance and manage investments, improve the operations, governance and performance of the companies and assets we acquire and exit investments at the appropriate time and at attractive valuations. To achieve those ends, our investment professionals will devote such time and resources to each Capital Advisors Vehicle's activities as we determine to be appropriate, consistent with the relevant Governing Documents.

Our professionals, however, also spend time assisting other Capital Advisors Vehicles and/or Related Funds with their investment activities or working on other projects, and on matters related to TPG as a firm, including service on firm committees and boards. For example, certain Capital Advisors Personnel expect to devote significant time to Related Funds of other TPG platforms, and will therefore have less time to dedicate to the Capital Advisors Vehicles. In addition, our professionals expect to have responsibilities and duties to other TPG platforms and to the firm generally, including service on firm committees and boards. Finally, with respect to a Capital Advisors Vehicle's key persons, the Governing Documents of the applicable Capital Advisors Vehicle generally do not restrict their academic, advisory board, personal wealth management, not-for-profit, charitable and similar activities. Conflicts will therefore arise between the Capital Advisors Vehicles and/or Related Funds with respect to the allocation of investment professional time and resources.

#### *Providers of Specialized Operational Services to Portfolio Companies*

The Capital Advisors Vehicles will generally reimburse all fees, costs and other expenses related to certain Specialized Operational Services rendered to the Capital Advisors Vehicles or their portfolio companies, where the portfolio company does not directly or indirectly reimburse such costs. Specialized Operational Services have been referred to by us in the past as "field ops" or "specialized services" and consist of operational support, regulatory or legal support, specialized operations and consulting services and similar or related services in connection with the identification, acquisition, holding and disposition of investments (including potential investments). We refer to such services as "Specialized Operational Services" and to the individuals and companies that provide them as "Specialized Operational Service Providers." These services include but are not limited to, for example, support or analysis regarding:

- the existing or prospective portfolio company's management (including serving in management positions or participating in the determination of corporate strategy);
- the existing or prospective portfolio company's supply chain (including leveraged procurement and logistics/distribution networks);
- marketing and sales strategy, pricing and sales force effectiveness;
- data intelligence;
- finance (including generating metrics and reporting and business restructuring);
- human capital management (including recruiting personnel, management on-boarding, identifying, curating and developing a network of talent and third-party recruiting resources in anticipation of supporting portfolio company recruiting efforts and determining executive/incentive compensation);
- information technology;
- cybersecurity;

- corporate communications and public relations (including identifying, curating and developing a network of third-party public relations resources in anticipation of supporting a portfolio company’s corporate communications and public relations efforts);
- governmental affairs and relations;
- customer service;
- ESG factors (including diligence, target setting, program monitoring and ESG strategy execution and monitoring, policies and programs, measurement and report development), whether such services are provided by Y Analytics or another party;
- property management, development and other real estate matters;
- procurement programs (see “*Item 5—Leveraged Procurement*”);
- Portfolio Compliance; and
- other similar and operational matters.

Occasionally, whether a service constitutes a Specialized Operational Service is not clear. It may be difficult to distinguish Specialized Operational Services from the investment advisory services provided to the Capital Advisors Vehicles by us and our affiliates. In these instances, we will consider, in our sole discretion, a service a Specialized Operational Service if we determine that (i) third parties often provide such a service; (ii) it is a service requiring specialized operational experience or expertise; and (iii) it is performed by an individual or individuals with the relevant experience or expertise. For example, board services would not be Specialized Operational Services subject to reimbursement, as they are not operational services requiring specialized experience or expertise. Services such as establishing or assessing a leveraged procurement plan or developing a market survey designed to enhance market share would be types of Specialized Operational Services that would be subject to reimbursement or entitled to payment of fees, as these services require operational expertise. In addition, ESG services such as diligence, screening and portfolio-level initiatives performed by Y Analytics – a public benefit company owned and controlled by TPG – are Specialized Operational Services subject to reimbursement. We engage TPG professionals to provide Specialized Operational Services when we believe that they more effectively drive value creation than independent service providers. It is expected that the services provided by Specialized Operational Service Providers will expand over time.

The Governing Documents typically require us to use reasonable efforts to cause each portfolio company to reimburse all costs of Specialized Operational Services that we, in our reasonable discretion, allocate to that portfolio company. The efforts we make to get recovery from portfolio companies for these costs usually depend on transaction-related and commercial considerations such as the nature of a Capital Advisors Vehicle’s investment, the financial ability of the portfolio company to make payment, the type of services and the expectations of the company or other investors. Sometimes we negotiate for direct reimbursement from the portfolio company to us or our service providers. Other times, we seek to include Specialized Operational Services as a component of the monitoring fee a portfolio company pays under its management services

agreement. In limited cases, efforts at recovery are not reasonable or practical, especially when a portfolio company is unable or unwilling to make payment. Amounts that are not allocated to or reimbursed by a portfolio company are reimbursed first from total gross portfolio fees received by the Capital Advisors Vehicles, us or the general partner (prior to any management fee offset). Certain Capital Advisors Vehicles reimburse any costs not covered by the applicable portfolio company or total gross portfolio fees, up to an annual maximum. Generally, we must disclose the amount of such reimbursement, regardless of the source, periodically to a Capital Advisors Vehicle's advisory committee. In particular, reimbursements for Specialized Operational Services will not reduce the management fee charged to the Capital Advisors Vehicles, regardless of whether the provider of the Specialized Operational Services is our employee or affiliate. Additionally, any reimbursements for such services from portfolio fees will reduce the amount of such fees that would otherwise offset the management fees.

Specialized Operational Services will at times be provided in respect of portfolio companies prior to the closing of the investment and to Capital Advisors Vehicles in connection with their diligence of potential investments. The Capital Advisors Vehicles will reimburse us directly for the costs of such Specialized Operational Services, including for deals that are not consummated.

In the event that another Capital Advisors Vehicle or Related Fund has invested alongside a Capital Advisors Vehicle in a portfolio company, we generally will allocate any reimbursement or other payment for Specialized Operational Services with respect to such company among the Capital Advisors Vehicles or Related Funds pro rata in accordance with their respective investments unless another method is more equitable under the circumstances.

If a TPG employee provides the Specialized Operational Service, we generally determine the associated reimbursement amount by reference to the aggregate annual compensation paid to the employee (including benefits, profits interests, equity interests (including restricted stock units or other equity awards in the Public Company.) or other incentive-based compensation), plus an estimate of the overhead and other fixed costs allocable to the employee, and the amount of time spent by the employee providing the Specialized Operational Services. As explained above under *"Conflicts Relating to Activities and Compensation of TPG Operations/Business Building Professionals,"* these professionals typically have tailored compensation arrangements specific to their engagement that we negotiate with them in our discretion. Given the inherently specialized nature of such services, a limited market for such services exists, often setting no clear market guidelines on appropriate compensation. Although we intend operations professionals to be compensated at competitive rates, their compensation will not necessarily be determined through arm's-length negotiation. In the event a Specialized Operational Service Provider is paid by an annual retainer, the value provided to the relevant Capital Advisors Vehicle and/or portfolio company by such Specialized Operational Service Provider may vary year to year and there can be no assurance that the annual retainer paid will be commensurate with the value provided by the Specialized Operational Service Provider.

We have an incentive to retain our operations and business building professionals to provide Specialized Operational Services, even if retaining other providers would be as or more advantageous to the portfolio company. In addition, possible providers of Specialized Operational Services can be investors in, provide goods or services to or have other relationships with the Capital Advisors Vehicle or Related Funds, which in turn is likely to influence our decision on

whom to retain. We intend to allocate fees and expenses in a manner we believe in good faith to be fair and equitable, but in our sole discretion. The allocation may not be proportional as certain Capital Advisors Vehicles have different expense reimbursement terms, including with respect to advisory fee offsets, and we have a financial incentive to favor allocations that benefit us. As a result, the amount of the fund expenses ultimately called or called at any one time may exceed expectations.

Reimbursements from portfolio companies in respect of Specialized Operational Services are usually in the form of cash, but can sometimes be in kind, including options, restricted stock units or other equity awards or interests (including with time- or incentive-based vesting) in an applicable portfolio company granted to the Capital Advisors Personnel or other TPG affiliate who provides Specialized Operational Services. We will evaluate the treatment of any such in-kind reimbursement on a case-by-case basis, including as to valuation for reporting purposes and the timing and manner of disposition by such Capital Advisors Personnel or other TPG affiliate. Reimbursements in kind could be significant, and in hindsight, these amounts may ultimately be worth significantly more than if we had received cash. In addition, equity, profits interests, grants or other similar interests in a portfolio company will likely dilute interests of the Capital Advisors Vehicles.

#### *Conflicts Related to Investments of Capital Advisors Personnel*

We and our Capital Advisors Personnel may buy or sell securities or other instruments that we have recommended to Capital Advisors Vehicles. In addition, Capital Advisors Personnel may also buy securities in transactions offered to, but rejected by Capital Advisors Vehicles. In the event of such transactions, a conflict of interest is likely to arise because such investing Capital Advisors Personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by us on behalf of the Capital Advisors Vehicle. In such circumstances, the investing Capital Advisors Personnel typically will not share or reimburse the relevant Capital Advisors Vehicle(s) and/or us for any expenses incurred in connection with the investment opportunity.

In addition, Capital Advisors Personnel may also buy securities and hold interests as passive investors in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) that may include potential competitors of the Capital Advisors Vehicles and that may invest in similar industries and sectors as the Capital Advisors Vehicles. Such Capital Advisors Personnel therefore have a conflict of interest with respect to their personal investment holdings. There could be situations in which such an investment vehicle invests in the same portfolio company as the Capital Advisors Vehicles and there may be situations in which such an investment vehicle purchases securities or other assets from, or sells securities or other assets to, a Capital Advisors Vehicle. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Capital Advisors Vehicles. Such personnel may be incentivized to cause a Capital Advisors Vehicle to act in a manner that benefits such other investment vehicles and indirectly, themselves as investors in such investment vehicles.

### *Conflicts Arising from Customized Terms Provided to Certain Investors*

Investors increasingly expect to make investments in private investment funds on customized terms. To the extent permitted by applicable law, we accommodate these expectations by entering into written agreements, which we refer to as “side letters,” with investors in connection with the formation of the applicable Capital Advisors Vehicle. We also reserve the right to provide customization by forming separate accounts for certain investors that would invest alongside the applicable Capital Advisors Vehicle on terms that differ from those in the Capital Advisors Vehicle’s Governing Documents.

A side letter typically relates solely to an investor’s interest in a single Capital Advisors Vehicle (i.e., it does not relate to any other Capital Advisors Vehicle or Related Fund) and allows the investor to make its investment in the Capital Advisors Vehicle on terms that are different from, and usually more favorable than, those set forth in the relevant Governing Documents. Investors have received, and are expected to request and receive customized and/or preferential terms, including with respect to, among other things:

- the ability to opt out of investments (which, to the extent exercised, would increase the other investors’ pro rata interest in those investments), which opt out rights could encompass a significant portion of a Capital Advisors Vehicle’s investments, including those within its primary mandate;
- the reporting or notice obligations of the applicable general partner or Capital Advisors Vehicle;
- consent rights with respect to certain amendments to the applicable Capital Advisors Vehicle Governing Documents;
- the right to transfer interests in the applicable Capital Advisors Vehicle;
- the right to withdraw from the applicable Capital Advisors Vehicle in the event of adverse tax or regulatory events (which, if exercised, would increase the other investors’ pro rata interest in such Capital Advisors Vehicle);
- the right to appoint a representative or observer to the advisory committee of the applicable Capital Advisors Vehicle, if applicable, or other similar advisory groups;
- the right to appoint a representative to an Advisory Panel;
- the right to participate in meetings with us with respect to the investment strategy of a Capital Advisors Vehicle, and to have access to our investment professionals;
- the right to have access to our investment and other professionals;
- additional confidentiality protections or waiver of existing confidentiality obligations;
- the right to disclose certain information to underlying investors or to the public;



- structuring rights with respect to certain types of investments;
- economic terms, including reduced or modified management fees and/or carried interest;
- participation in management fees and/or carried interest of TPG-related vehicles, including a general partner, us and/or other subsidiaries of the TPG Operating Group that are entitled to receive payment of management fees and carried interest from the Capital Advisors Vehicles or Related Funds;
- the investor-specific information or documentation that the applicable Capital Advisors Vehicle would otherwise provide to lenders, other financing sources or other third parties;
- the offering of co-investment opportunities;
- rights relating to default provisions, including the application or waiver of default remedies (including as a result of a failure of an investor to maintain sufficient equity or debt financing, including an investor that is structured and controlled by TPG to hold the investments of certain underlying investors);
- distributions in-kind;
- rights relating to proceedings, including venue and jurisdiction and/or the waiver of jury trial and arbitration provisions; and/or
- any other terms, whether economic, procedural or otherwise.

We will consider many factors in deciding whether to accord investors in Capital Advisors Vehicles customized terms via a side letter and we have economic and other commercial incentives to provide certain terms investors. We expect to grant preferential treatment to the following types of investors:

- investors that have made or have proposed to make relatively large commitments to the Capital Advisors Vehicle or Related Funds or that are anticipated to be important to future TPG fundraising campaigns;
- investors that have made a commitment on the initial closing date or during an early closing period;
- investors that are strategic partners with respect to a Capital Advisors Vehicle's investment mandate;
- investors that have a broader strategic relationship with TPG;
- investors that are members of an Advisory Panel;
- investors that are subject to specific legal, tax or regulatory requirements or policies applicable to them; and

- other investors meeting other criteria we consider reasonable in our discretion.

In general, no investor has any rights under the side letters of other investors. The Governing Documents of certain Capital Advisors Vehicles, however, include a “most-favored nation,” or “MFN,” clause whereby an investor automatically receives certain rights and benefits granted in certain other side letters with respect to the Capital Advisors Vehicle. Except to the extent required by the Governing Documents of the applicable Capital Advisors Vehicle, we and our related entities have no obligation to offer any such additional rights, terms or conditions to any other investor in such Capital Advisors Vehicles. Side letter arrangements with certain investors of the Capital Advisors Vehicles impose additional restrictions on investing in certain types of assets, geographies or industries in order to meet certain legal, tax, regulatory, internal policy or other requirements of such investors. While these restrictions are intended to apply solely to such investors, they may ultimately restrict the investments made by an applicable Capital Advisors Vehicle.

Matters arising under any side letter are subject to indemnification and exculpation by a Capital Advisors Vehicle pursuant to a Capital Advisors Vehicle’s Governing Documents.

#### *Favorable Terms Provided to Affiliates and Related Persons*

The employees, business associates and other “friends of the firm” of TPG are typically able to invest directly or indirectly in Capital Advisors Vehicles on terms that are more favorable than those offered to other investors. Such favorable terms may involve, among other things, a waived or reduced advisory fee, and the waiver or reduction of other restrictions. The Capital Advisors Vehicles have no obligation to disclose or offer such favorable terms to any other investor in the Capital Advisors Vehicle, except to the extent required by the Governing Documents of the applicable Capital Advisors Vehicle or by applicable law.

#### *Diverse Membership*

The investors in a Capital Advisors Vehicle are a diverse group that have different investment programs and are subject to different legal, tax and regulatory regimes. For example, investors generally will include taxable and tax-exempt entities and will be organized in various jurisdictions. The nature and diversification of the Capital Advisors Vehicle’s investments, as well as the manner in which it makes, structures, holds and exits them, will therefore lead to a more favorable legal, tax or regulatory outcome for some of its investors. In selecting investments appropriate for the Capital Advisors Vehicle, we generally consider the investment objectives of the Capital Advisors Vehicle as a whole, not the investment, tax or other objectives of any of its investors individually. To the extent we are able to structure certain investments based in part on the investors’ respective legal, tax and regulatory constraints, we will not take into account such interests as they relate to each individual investor. Each investor in a Capital Advisors Vehicle generally bears its share of the costs associated with a structure designed to address the concerns of, or issues arising from or relating to, other investors regardless of whether that investor itself benefitted. Notwithstanding the foregoing, capital commitments to a Capital Advisors Vehicle may be concentrated in one or a few investors and, as a result, determinations of what is in the interest of the Capital Advisors Vehicle could more closely align with such investors as compared to the other investors. In addition, to the extent an investor is subject to statutory or other

limitations on indemnification as a result of its sovereign status or otherwise, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of such indemnification amounts.

For instance, in certain circumstances, a general partner may expect to hold the investments of investors that have so elected through one or more vehicles that are treated as corporations for U.S. federal income tax purposes (each, a “Blocker”). While the use of a Blocker may provide favorable tax treatment for certain investors, such as tax-exempt or non-U.S. investors, the investment returns realized by such investors will likely be less than the returns of investors that do not hold their investment through a Blocker. In addition, in certain cases, the Capital Advisors Vehicles may be required, to the extent reasonably feasible (taking into account the interests of the investors who do not elect to hold their investments through a Blocker), to cause the disposition of investments that are held in part through a Blocker through a sale of the stock of such Blocker rather than a sale of the underlying assets. The use of a Blocker may affect all of the investors and not just those who have elected to hold their investments through a Blocker. For example, while a sale of the stock of a Blocker will likely be beneficial for the investors that have elected to hold their investments through Blockers, such sale could result in total proceeds that are lower than the proceeds that could have been generated if the Capital Advisors Vehicles had sold the underlying assets and such reduction would generally be shared by all of the investors and not just those who have elected to hold their investments through a Blocker. Similarly, in certain types of transactions, such as “Up-C” transactions, certain benefits, such as tax receivable agreements, may be shared by all of the investors (including those who have elected to hold their investments through a Blocker) even if such agreements relate to benefits derived mainly from the investments held by the investors who have not elected to hold their investments through a Blocker. In some cases, investors may be required to participate in an investment through a Blocker irrespective of whether they have elected to do so, and accordingly, may bear costs and expenses relating to such Blocker (and may ultimately receive lower returns from the Capital Advisors Vehicle) than would have been the case had no Blocker participation been required. In particular, such participation may be required with respect to tax credit investments, in order to preserve such investments’ eligibility for certain tax credits and/or methods of depreciation.

To address legal, tax, regulatory, accounting or similar considerations, we expect in certain cases to structure Capital Advisors Vehicle investments in certain portfolio companies so that some (if not all) investors hold their investments through one or more AIVs. While we generally expect that the economic and other substantive provisions governing any AIV will be substantially the same as those governing the applicable Capital Advisors Vehicle (taking into consideration the legal, tax, regulatory, accounting, business or other impetus for the AIV structure), an investor’s rights and liabilities in, and the obligations and duties of the Capital Advisors Vehicle’s general partner as manager of, the AIV may differ from those applicable to the Capital Advisors Vehicle by virtue of the AIV’s specific terms or jurisdiction of organization. For example, the laws of incorporation applicable to the AIV may provide for different and less favorable statutory protections with respect to an investor’s limited liability as compared to those applicable to a Capital Advisors Vehicle. In addition, we expect the structural attributes of certain AIVs to result in divergent return characteristics for certain investors. For example, we reserve the right to elect to structure an AIV that results in favorable tax treatment for one set of investors but less favorable tax attributes for another. Furthermore, we may take steps adverse to certain investors to preserve the intended benefits of an AIV structure. For example, ownership restrictions applicable to

companies in certain industries may compel us to limit a particular AIV to a certain category of investors. In these instances, we would restrict the ability of those investors to transfer their interests if doing so would jeopardize our ability to comply with the ownership restrictions.

In addition, investors in a Capital Advisors Vehicle typically engage in a broad range of activities in addition to their investment in the Capital Advisors Vehicle. We expect some investors could enter into various transactions relating to the Capital Advisors Vehicle or its portfolio companies, such as co-investments alongside the Capital Advisors Vehicle (see “*Allocation of Co-Investment Opportunities*”), financing transactions for the Capital Advisors Vehicle or its portfolio companies and the acquisition of interests in portfolio companies from the Capital Advisors Vehicle. Investors associated with corporate enterprises, including members of an Advisory Panel, could enter into strategic partnerships or other similar arrangements with TPG, the Capital Advisors Vehicles and/or the Capital Advisors Vehicles’ portfolio companies, which may involve, for example, designation as a preferred provider of goods or services to any of the foregoing. So long as an investor is not otherwise our affiliate, these types of transactions generally do not require the consent of the Capital Advisors Vehicle’s advisory committee or investors more generally. In connection with their investing activities, investors in the Capital Advisors Vehicles in some cases also have additional access to the management of, or enhanced information rights regarding, the Capital Advisors Vehicle’s portfolio companies or the ability to serve on or observe a portfolio company’s board of directors. The Governing Documents do not prohibit a Capital Advisors Vehicle from selling a portfolio company to an investor in a Capital Advisors Vehicle or a Related Fund.

Investors that serve on a Capital Advisors Vehicle’s advisory committee (or similar body) will have interests that differ from, or conflict with, the interests of other investors due to different legal, tax or regulatory regimes, their interests in other Capital Advisors Vehicles or Related Funds or their overall relationship with TPG (including their participation in an Advisory Panel or direct or indirect economic interests in TPG-affiliated entities and/or other individual circumstances relevant to the investor). The Governing Documents typically provide that each advisory committee member can take into consideration solely its own interests in discharging its duties. Accordingly, the advisory committee can make decisions that benefit its members, the Capital Advisors Vehicle or TPG, even if they are adverse to other investors in the Capital Advisors Vehicle. In addition, each member of a Capital Advisors Vehicle’s advisory committee will be permitted to vote on matters even where that member is subject to a material conflict of interest, and will be under no obligation to recuse itself from voting in this situation or to disclose the conflict of interest to the other members. Similarly, investors in a Capital Advisors Vehicle do not need to take into account the interests of other investors in voting on matters presented to partners more generally. In addition, we generally expect a Fund formed to invest alongside another Fund to have an advisory committee, but the advisory committee’s consent may not be sought or required in cases where the matter relates to investments the Fund has made or is making alongside the other Fund and in which the interests of the Funds are generally aligned, as we determine in our reasonable discretion.

We have entered, and expect in the future to enter, into contractual arrangements established pursuant to broader strategic relationships between selected investors, including prospective investors and TPG. Each such contractual arrangement is highly customized to reflect the specific

broadener strategic relationship between TPG and the particular investor and such rights have included, and are permitted to include

- formation of dedicated vehicles;
- significant historical, pending and/or future commitments to, or other participation in, TPG funds or other TPG entities;
- the right to co-investment opportunities, and related economic terms, targets and remedies;
- discounted management fee, carried interest and/or other economic arrangements;
- holding direct or indirect equity and/or debt interests in, and/or participation in management fees and/or carried interest of TPG-related vehicles, including a general partner, management company and/or other subsidiaries of the TPG Operating Group that are entitled to receive payment of management fees and carried interest from the Capital Advisors Vehicles or Related Funds and associated rights (e.g., tag-along rights in certain sale transactions);
- rights of first offer on other strategic relationships; and/or
- knowledge sharing, training and/or secondment arrangements.

A broader strategic relationship often involves an investor’s capital commitments to multiple Capital Advisors Vehicles and/or Related Funds. As described under “*Conflicts Arising from Customized Terms Provided to Certain Investors*,” a contractual arrangement we establish with an investor pursuant to a broader strategic relationship is not considered a “side letter” under the Governing Documents, and accordingly, investors are not entitled to disclosure (unless required by applicable law) or the benefits of any such contractual arrangement under the Governing Documents’ MFN clause or otherwise. Specific examples of such additional rights and benefits include, among others, specialized reporting, meetings with our personnel, discounts on and/or reimbursement of, or sharing in, management fees or carried interest, clawbacks, minimum amounts for co-investments alongside Capital Advisors Vehicles and/or Related Funds and rights of first offer on similar strategic arrangements in the future. We have complete discretion to determine the investors with which we will build broader strategic relationships, and we expect to develop broader strategic relationships with investors with certain attributes even though we do not seek to establish them with other investors that have the same or similar attributes.

#### *TPG Information*

In connection with its services to the Capital Advisors Vehicles and their investments, we, our affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of our operations, including research, due diligence, investment monitoring, operational improvements and investment activities, we and our personnel expect to receive and benefit from information, “know-how,” experience, analysis and data relating to the Capital Advisors Vehicles, or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, “TPG Information”). In many cases,

TPG Information will include tools, procedures and resources developed by us to organize or systematize TPG Information for ongoing or future use. Although we expect the Capital Advisors Vehicles and their portfolio companies generally to benefit from our possession of TPG Information, it is possible that any benefits will be experienced solely by other or future Capital Advisors Vehicles or Related Funds, portfolio companies (or by us and our personnel) and not by a Capital Advisors Vehicle or portfolio company from which TPG Information was originally received.

TPG Information will be our sole intellectual property and solely for our use. We reserve the right to use, share, license, sell or monetize TPG Information, without offset to management fees, and none of the Capital Advisors Vehicles or their portfolio companies will receive any financial or other benefit of such use, sharing, licensure, sale or monetization.

### *Platform Companies*

At times a Capital Advisors Vehicle, either alone or co-investing alongside other Capital Advisors Vehicles and/or Related Funds, has the ability to establish or invest in portfolio companies that, in turn, seek to acquire interests in related companies or assets or engage in specific business activities. We often structure these portfolio companies, which we refer to as “platform companies,” as operating joint ventures, holding companies, partnerships, structured finance vehicles, incubators, start-ups and other platform companies or other similar arrangements. A “platform company” may consist of a single entity or a group of entities and we have significant discretion in determining what constitutes a “platform company.” In the case where a Capital Advisors Vehicle co-invests alongside another Capital Advisors Vehicle and/or Related Fund, the potential for conflicts of interest may exist. Subsequent funding of a platform company by the Capital Advisors Vehicles, including to fund a new acquisition by such platform company, will be considered a “follow-on investment” for purposes of the Capital Advisors Vehicles even if such investment is a “new” investment for the platform company or involves capitalizing a distinct legal entity and therefore such investment may be made after the expiration or termination of the Capital Advisors Vehicles’ commitment period (subject to the restrictions on follow-on investments in the Governing Documents). In certain cases we fund these companies up front and in other cases we fund them gradually over time. In the event a Capital Advisors Vehicle makes such an investment, we generally would expect the Capital Advisors Vehicle to monetize its interest in a platform company through a sale or public offering of the platform company (or the Capital Advisors Vehicle’s stake in the company) or through sales of the platform company’s underlying assets.

While the Capital Advisors Vehicle would, by virtue of the control it exercises over a platform company, typically be involved in the strategy, governance and oversight of any platform company (and we in certain circumstances provide services, such as legal or capital markets advice, we typically render to other portfolio companies), a platform company would also typically retain its own qualified management team, either internally or externally, to operate, administer and manage the company on a daily basis, including by sourcing the underlying assets. Such a management team would provide services that are similar to, and that overlap with, services we provide to the Capital Advisors Vehicle and other Funds or Related Funds. The structure of each platform and the engagement of personnel will vary, including whether a management team’s services are exclusive to the platform and whether the members of the management team are employed directly by the platform or indirectly through a separate management company established to manage such

platform. Platform structures may change during the investments' hold period, for instance, in connection with restructurings or dispositions. Members of the management team may be Senior Advisors or Field Operations professionals or, to the extent not covered by the foregoing, persons that provide project services, and are permitted to render services exclusively to the platform company or provide the same or similar services to unaffiliated third parties or to other Funds, Related Funds or portfolio companies, including similar platform companies of predecessor or successor Funds or Related Funds (and receive a fee, profits interest or other compensation in connection with such services), without triggering an advisory committee disclosure, review, or consent provisions of the Governing Documents applicable to transactions with affiliates. These individuals are not considered to be affiliates of ours for purposes of the Capital Advisors Vehicles' Governing Documents solely as a result of their role as a member of a portfolio company's management team.

Platform companies compensate their management teams in a number of ways, including through annual salaries and bonuses, incentive-based compensation (such as profits interests, carried interest, equity, options and warrants), fees for services or a combination of the foregoing. In any case, the Capital Advisors Vehicle would generally bear the cost of such compensation, as well as all other platform company expenses, including start-up, operating, investment sourcing and diligence and overhead expenses, through its direct or indirect interest in the platform company.

Members of a platform company's management team may receive separate compensation for services rendered to unaffiliated third parties or to other Capital Advisors Vehicles, Related Funds or portfolio companies. In addition, a platform company or its management team may receive a fee or other compensation for forwarding to unaffiliated third parties or to Capital Advisors Vehicles, Related Funds or portfolio companies any investment opportunity that we reasonably believe is not suitable for a Capital Advisors Vehicle or such platform company (e.g., because the investment does not have a risk or return profile compatible with a Capital Advisors Vehicle's investment objectives). Any compensation the management team receives, regardless of whether a Capital Advisors vehicle or a Related Fund, portfolio company or unaffiliated third party pays, would be in addition to, and typically does not offset, the advisory fee investors in the Capital Advisors Vehicle pay. Similarly, such compensation generally would not trigger the advisory committee disclosure, review or consent provisions of the Governing Documents.

A platform company's structure and relationship to us has the potential to create conflicts of interest. For example, although we (by virtue of our control of the Capital Advisors Vehicle) would form the platform company and in doing so often determine or significantly influence the form and amount of compensation paid to a platform company's management team, the platform company (and ultimately the Capital Advisors Vehicle) bears the attendant expense. The compensation of management of a platform investment may include interests in the profits of the platform investment, including profits realized in connection with the disposition of an asset. As with Senior Advisors, the close business or personal relationships that we have with certain members of management give us less incentive to limit their compensation. In addition, given that we (and not the Capital Advisors Vehicle) otherwise pays the salaries of our employees, we have the incentive to cause a platform company to retain its own management team instead of relying on TPG employees to provide managerial services, or to convert existing TPG employees into members of a platform company's management team.

For platforms made up of multiple operating assets, we will have sole discretion to treat each asset as a separate portfolio company for purposes of any concentration limit in a Capital Advisors Vehicle's Governing Documents. There exists the potential that a platform's operations will continue past the commitment period of a Capital Advisors Vehicle, and there can be no assurance that the Capital Advisors Vehicle will monetize or be compensated separately for platform-related costs during the course of its operations.

#### *Conflicts Arising from Strategic Business Partners*

We have also formed and expect to continue to form relationships with third-party strategic partners so that a Capital Advisors Vehicle or Related Fund can take advantage of their expertise, often in particular industries, sectors and/or geographies. These strategic partners often have close business relationships with us and provide services that are similar to, and that may overlap with, services we provide to Capital Advisors Vehicles or Related Funds, including sourcing, conducting due diligence on or developing potential investments, as well as structuring, managing, monitoring and disposing of investments.

We determine the compensation of our strategic partners on a case-by-case basis, and this compensation can take the form of

- cash payments from us, a Capital Advisors Vehicle or Related Fund or a portfolio company;
- grants of carried interest generated by a Capital Advisors Vehicle or Related Fund;
- participation in management fees or carried interest of TPG-related vehicles, including general partners, management companies, and/or other subsidiaries of the TPG Operating Group that are entitled to receive payment of management fees and carried interest from the Capital Advisors Vehicles or Related Funds;
- stock option or equity grants in a portfolio company;
- profits interests in a portfolio company or holding vehicles beneath a Capital Advisors Vehicle or Related Fund; and/or
- other similar payments from us, a Capital Advisors Vehicle or Related Fund or a portfolio company.

This creates a conflict of interest because we have an incentive to structure compensation under strategic business partnerships so that the Capital Advisors Vehicle or Related Fund (and hence their investors) bears the costs (directly or indirectly) instead of us. In addition, as with Senior Advisors, our close business relationship with a strategic partner gives us less incentive to negotiate with that strategic partner for a lower level of compensation.

We expect to also offer strategic partners the opportunity to co-invest alongside a Capital Advisors Vehicle, in some cases regardless of whether such partner played a significant role in sourcing or managing the specific investment (see "*Allocation of Co-Investment Opportunities*" above).



### *Conflicts Arising from Interactions with Portfolio Companies*

Portfolio companies of Capital Advisors Vehicles (or Related Funds), including platform companies, generally are not our affiliates for purposes of a Capital Advisors Vehicle's Governing Documents. As a result, the Governing Documents' provisions that relate specifically to our affiliates do not apply to Capital Advisors Vehicles' (or Related Funds') portfolio companies, platform companies or their management teams or employees, even if we have a significant economic interest in a portfolio company and/or ultimately control it through our control of the relevant fund. For example, in the event that a Capital Advisors Vehicle or one of its portfolio companies purchases products or services from, or otherwise enters into a transaction with, a portfolio company of another Capital Advisors Vehicle or Related Fund, such transaction generally would not trigger the advisory committee disclosure, review or consent or trigger other provisions of the Governing Documents typically applicable to transactions with affiliates. Also, if a Related Fund establishes a platform company, investment opportunities that the platform company management sources for the platform company generally will not be offered to the Capital Advisors Vehicles.

Given the collaborative nature of our business (and the business of our affiliates) and the portfolio companies in which some Capital Advisors Vehicles (or Related Funds) have invested, we (or Related Funds) from time to time recommend the services of a portfolio company to other portfolio companies. We have a conflict of interest in making these recommendations, in that we have an incentive to maintain goodwill between ourselves and the existing and prospective portfolio companies for the Capital Advisors Vehicles or Related Funds, while it is possible that the products or services recommended are not necessarily the best available to the portfolio companies of the Capital Advisors Vehicles or the most favorably priced.

From time to time Capital Advisors Vehicles and/or certain of their portfolio companies have ongoing business dealings, arrangements or agreements with persons who are former employees of ours or a Related Adviser. The Capital Advisors Vehicles and/or their portfolio companies bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there exists a conflict of interest between ourselves and the Capital Advisors Vehicles (or their portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that we will favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person. Portfolio companies of Capital Advisors Vehicles also could be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other Capital Advisors Vehicles that involve fees and/or servicing payments to us or our affiliates which are not subject to advisory fee offsets or otherwise shared with the relevant Capital Advisors Vehicles.

In addition, portfolio companies of Capital Advisors Vehicles or Related Funds, from time to time, make discounts and other benefits available to Capital Advisors Personnel in connection with such entities' products or services. Sometimes these discounts or benefits are extended to Capital Advisors Personnel in only certain roles, such as board members of the portfolio company. Such benefits or discounts are not considered compensation to Capital Advisors Personnel, are not considered portfolio fees and do not offset the advisory fees payable by investors in the related Capital Advisors Vehicles.

Current and former officers and executives of portfolio companies also invest in Capital Advisors Vehicles. While we believe this aligns portfolio company management teams with the best interests of the Capital Advisors Vehicle, we may, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to a portfolio company in order to maintain the goodwill with such portfolio company management team investor.

#### *Conflicts Arising from Business with Certain Investors*

We have service providers, including for example, investment bankers and outside legal counsel, who are investors in Capital Advisors Vehicles and/or who provide services to businesses that are our competitors. We have a conflict of interest with the Capital Advisors Vehicle in recommending the retention or continuation of a service provider if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Capital Advisors Vehicles or Related Funds or will provide us information about our competitors. There is a possibility that we, because of such belief or for other reasons, will favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Portfolio companies controlled by a Capital Advisors Vehicle from time to time provide services to certain Capital Advisors Vehicle or Related Fund investors. We have an incentive to cause the portfolio company to favor those investors relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Capital Advisors Vehicle.

Certain members of a Fund's advisory committee are, or in the future could be, officers or directors of, or otherwise affiliated with, limited partners of a Capital Advisors Vehicle or one or more other Capital Advisors Vehicles or Related Funds. The general partner of a Capital Advisors Vehicle or a Related Fund has the discretion to utilize the services of limited partners and their affiliates on an arm's-length basis, as it deems appropriate.

It is possible that we exercise our discretion to enter into transactions with investors in one or more Capital Advisors Vehicles to dispose of all or a portion of certain investments held by one or more Capital Advisors Vehicles. In exercising our discretion to select the purchaser(s) of such investments, we will consider some or all of the factors listed above under "*Allocation of Co-Investment Opportunities*." The sales price for such transactions will be mutually agreed to by us and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by us. Although we are not obligated to solicit competitive bids for such sales transaction or to seek the highest available price (which means we may not obtain the highest price for the transaction), we will first determine that such transaction is in the best interests of the applicable Capital Advisors Vehicles, taking into account the sale price and the other terms of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Capital Advisors Vehicles. Any such transactions will comply with the Governing Documents of the applicable Capital Advisors Vehicles.

### *Conflicts Related to Legal Counsel and Other Service Providers Engaged by Capital Advisors Vehicles and Related Funds*

Capital Advisors Vehicles and the Related Funds often engage common legal counsel to represent all of the Capital Advisors Vehicles and/or the Related Funds in a particular transaction, including a transaction in which a Capital Advisors Vehicle, other Capital Advisors Vehicles or Related Funds have conflicting interests because they have invested in different securities of the company. In the event of a significant dispute or divergence of interest between a Capital Advisors Vehicle, other Capital Advisors Vehicles or Related Funds, such as in a work-out or other distressed situation, separate representation will typically become desirable, in which case we and the other Related Advisers may hire separate counsel in our sole discretion, and in litigation and other circumstances, separate representation will occasionally be required. Law firms engaged to represent Capital Advisors Vehicles and Related Funds, partners in those firms or entities affiliated with those firms may be investors in such Capital Advisors Vehicle, other Capital Advisors Vehicles or Related Funds, and may also represent one or more portfolio companies or limited partners of such Capital Advisors Vehicle, other Capital Advisors Vehicles and/or Related Funds.

### *Conflicts Relating to Services Provided by Related Persons*

From time to time we, in our discretion, contract with related persons (including a portfolio company of a Capital Advisors Vehicle or a family member of Capital Advisors Personnel) to perform services (including brokerage services) for us in connection with our provision of services to the Capital Advisors Vehicles. When engaging a related person to provide such services, we will generally have a financial, personal or other business incentive to recommend the related person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

From time to time we, in our discretion, recommend to a Capital Advisors Vehicle or one of its portfolio companies that it contract for services or, in providing services to a Capital Advisors Vehicle, directly engage with

- a related person of ours (including a portfolio company of a Capital Advisors Vehicle); or
- an entity or person with which or whom we or Capital Advisors Personnel have a relationship or from which or whom we or Capital Advisors Personnel otherwise derive financial, personal or other benefit.

When making such a recommendation, it is possible that we or Capital Advisors Personnel, because of our financial, personal or other business interest, have an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Capital Advisors Personnel have family members that are actively involved in industries and sectors in which the Capital Advisors Vehicles invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies that are actual or potential

investments of the Capital Advisors Vehicles or other counterparties of the Capital Advisors Vehicles and their portfolio companies. Moreover, in certain instances, the Capital Advisors Vehicles or the portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. The fees for services provided by such service providers may or may not be at the same rate charged by other third-party service providers and we are not required to select service providers who may have lower rates (or to engage in any benchmarking of such fees). In most of these circumstances, the Capital Advisors Vehicles' Governing Documents will not preclude Capital Advisors Vehicles from undertaking any of these investment activities or transactions.

### *Conflicts Related to Strategic Transactions*

TPG is a broad-based alternative investment platform that may engage in strategic transactions, including the investment in, acquisition of, or combination with, other investment platforms for any reason, including those that currently or may in the future sponsor, manage or advise funds, vehicles or accounts with investment mandates that are the same as, or similar to, the Capital Advisors Vehicles' investment mandates. For example, TPG successfully completed its previously announced acquisition of Angelo, Gordon & Co., L.P. and its affiliates on November 1, 2023. Angelo Gordon now operates as TPG Angelo Gordon, a diversified credit and real estate investing platform within TPG. Nothing in a Capital Advisors Vehicle's Governing Documents prohibit or restrict such strategic transactions. TPG is authorized to make investments for its own account, to further grow and expand its business and/or engage in other strategic acquisitions or transactions. TPG may also acquire and hold other assets used in the development of its business, including seed capital for the purpose of developing, evaluating and testing potential investment strategies, products or new strategies. TPG may also make other opportunistic investments and utilize investment strategies that mirror, or are similar to, in whole or in part, investment strategies implemented by TPG on behalf of the Capital Advisors Vehicles. Investments by TPG may be made in lieu of or alongside the Capital Advisors Vehicles, notwithstanding a Capital Advisors Vehicle's "duty to offer" provisions or other restrictions on affiliated co-investing, and TPG is subject to conflicts of interest in determining that an investment opportunity is appropriate for TPG and/or its affiliates in priority to a Capital Advisors Vehicle. In determining whether to pursue or engage in any strategic transaction, we are entitled to consider only the interests and factors that we desire, including our own interests. Except as expressly set forth in the Governing Documents, nothing prohibits, restricts or otherwise limits us in any way from pursuing or engaging in any strategic transaction or operating any such investment platform following any such acquisition or combination, including continuing or expanding the business and operations of such investment platform or any fund, vehicle or account sponsored, managed or advised thereby. Such strategic transactions and the continued operations of any such investment platform may result in the re-allocation of the time and attention of our personnel (either on a temporary or permanent basis), including to the detriment of the Capital Advisors Vehicles, or the allocation of investment, sale or other exit opportunities or liquidity options which otherwise would be allocated to or benefit the Capital Advisors Vehicles to instead be allocated to or benefit any such funds, vehicles or accounts, and will otherwise give rise to the same conflicts of interest that may arise among the Capital Advisors Vehicles and any other Related Funds as described herein. To the maximum extent not prohibited by applicable law, neither we nor any of our affiliates will have any obligation to give any consideration to any interest of or factor affecting the Capital Advisors Vehicles in

connection with any such transaction (e.g., whether a Capital Advisors Vehicle would otherwise be interested in pursuing such transaction or whether such transaction involves funds, vehicles or accounts with investment mandates that are the same as, or similar to, a Capital Advisors Vehicle's investment mandate).

In the event that we, any of our affiliates or any other party engages in any such transaction or otherwise engages in any actions or any other event occurs that results in an "assignment" (including for purposes of the Advisers Act) of the Advisory Services Agreement or any other agreement (including because of any change in our control group), and as a result we or any other entity must seek the consent of the Capital Advisors Vehicle under applicable law, the general partner of the Capital Advisors Vehicle will not seek the consent of the limited partners of such Capital Advisors Vehicle but will have the authority to act for the Capital Advisors Vehicle in determining whether or not to provide any required consent.

Since the general partner of the Capital Advisors Vehicle is under common control with us and we each would likely have a financial interest in the consummation of any such transaction that is different from the interests of the Capital Advisors Vehicle or its limited partners, the general partner of the Capital Advisors Vehicle will likely have a conflict of interest in making this determination. Pursuant to the Governing Documents, the general partner of the Capital Advisors Vehicle is under no obligation to seek approval from the Capital Advisors Vehicle's limited partners as to any such consent, and the limited partners will not have the right to remove the general partner or cause the Capital Advisors Vehicle to terminate the Advisory Services Agreement, transfer their interests or otherwise exit the Capital Advisors Vehicle, or exercise any other rights or remedies (other than those that are explicitly provided in the Capital Advisors Vehicle's Governing Documents).

#### *Conflicts Arising in Respect of Alignment of Interest*

A number of persons hold direct or indirect equity and other economic interests in TPG, including in our holding structures and certain other subsidiaries or vehicles that we control. On January 18, 2022, the Public Company completed an initial public offering. We are a subsidiary of TPG Operating Group, which is indirectly controlled by the Public Company. The officers, directors, members, managers and personnel of TPG, including certain key persons, can be expected to take into account certain considerations and other factors in connection with the management of the business and affairs of the Capital Advisors Vehicles and their affiliates that would not necessarily be taken into account if we were not under the control of a publicly listed company, and certain of them have fiduciary duties to shareholders of the Public Company that could conflict with their duties to the Capital Advisors Vehicles. For example, although TPG believes its reputation in the marketplace will provide a benefit to the Capital Advisors Vehicles, we could decline to undertake investment activity or transact with a counterparty on behalf of the Capital Advisors Vehicles for reputational reasons, and these decisions could result in the Capital Advisors Vehicles forgoing a profit or suffering a loss. For additional information regarding the Public Company, please refer to its public filings, which may be accessed through the web site of the SEC ([www.sec.gov](http://www.sec.gov)) or TPG (<https://shareholders.tpg.com>). Similarly, we have permitted and reserve the right to permit third-party investors (including certain Capital Advisors Investors in consideration of a capital commitment to a Capital Advisors Vehicle) to hold material direct or indirect equity and/or debt interests in, participate in fees and/or carried interest of or provide financing to, TPG-related

vehicles, in each case, including the general partners, management companies and/or other subsidiaries of TPG Operating Group that are entitled to receive payment of management fees and carried interest from a Capital Advisors Vehicle and/or Related Fund as well as entities we form to exercise our rights or discharge our obligations under the Governing Documents. This includes debt financing that is recourse to TPG and/or its employees as well as non-recourse debt, such as a securitization structure. TPG and/or its employees could also, but are not required to, participate in such vehicles by holding direct or indirect equity and/or debt interests. Any of the foregoing vehicles could be used to fund TPG's capital commitments to Capital Advisors Vehicles and/or Related Funds, including the required minimum commitment as well as any additional commitments permitted following the end of the fundraising period. In addition, TPG-related vehicles could make additional commitments and subsequently transfer all or a portion of such amount to a third party. Further, commitments by Capital Advisors Personnel or by other persons who are associated with TPG or their respective family members, estate planning vehicles or affiliates may be used by TPG to satisfy the general partner's required commitment to a Capital Advisors Vehicle. Such persons are not required to be involved in the investment activities of a Capital Advisors Vehicle, and the determination of whether a person is "otherwise associated with TPG" is made by us in our discretion. These practices could have the effect of reducing the amount of management fees and carried interest (as applicable) received directly or indirectly by TPG Operating Group and/or the management companies and the general partners (including carried interest received by persons responsible for operating a Capital Advisors Vehicle and/or Related Fund) and/or the amount of capital contributed or remaining at risk by persons responsible for operating the Capital Advisors Vehicles and/or Related Funds, and lessening the alignment of interests between such persons and the investors in such Capital Advisors Vehicles and/or Related Funds, as applicable.

#### *Conflicts Related to the Valuation of Assets*

We generally determine, in our discretion, the fair value of each Capital Advisors Vehicle's assets on a quarterly basis. While we follow rigorous valuation methodologies and procedures that are designed to ensure that our fair value determinations are strictly the product of the application of U.S. GAAP, we have incentives (and thus a potential conflict of interest) to arrive at higher valuations, including in respect of advisory fees and carried interest. First, when we determine that the fair value of an investment by certain Capital Advisors Vehicles is less than the capital contributions made with respect to it, and such value is likely to remain impaired permanently, we are obligated under the relevant Governing Documents to write down the asset for that period. Depending on the extent of the write-down, it is possible that the Capital Advisors Vehicle will need to receive proceeds in the amount of the write down before its general partner could begin to receive carried interest. A decision not to write down an investment (based on the fair value determined by us) would avoid this negative impact on the amount of carried interest due to the general partner. Second, the rate of carried interest allocated to the general partners of certain Capital Advisors Vehicles depends on whether the Capital Advisors Vehicle achieves a certain multiple-of-money or rate of return. Higher valuations could facilitate the Capital Advisors Vehicle's achievement of a multiple-of-money or rate of return that would result in the receipt by the corresponding general partner of a greater amount of carried interest than if the valuations were lower. Third, we will regularly report to investors in the Capital Advisors Vehicles, prospective investors and the investor community more generally metrics of the Capital Advisors Vehicles' performance, such as rates of return and multiples-of-money, whose calculation depends on the

value of the Capital Advisors Vehicles' investments, including unrealized investments. For example, investors may receive annual audited financial statements, quarterly unaudited financial statements and other communications, such as updates at our investors' conferences, that reflect our valuations. These reports are an indication of the overall health of the Capital Advisors Vehicles and are important to our efforts to attract investors to Capital Advisors Vehicles and Related Funds. An objective of our valuation methodologies and procedures is to eliminate any influence these incentives can have on our fair value determinations.

Our valuations will be based to a large extent on our estimates, comparisons and qualitative evaluations of private information (including information from portfolio companies), which can be incomplete or inaccurate. Third parties therefore will not be able to replicate our methodology or to value accurately the Capital Advisors Vehicles' investments. The amount of judgment and discretion inherent in valuing assets renders valuations uncertain and susceptible to material fluctuations over possibly short periods of time; substantial write-downs and earnings volatility are possible. Valuations are inherently subjective in certain respects and rely on a variety of assumptions, including assumptions about projected cash flows for the remaining holding periods for the investments, market conditions at the time of such valuation and/or any anticipated disposition or other realization of the investments, legal and contractual restrictions on transfers that would limit liquidity, and any transaction costs related to, and the timing and manner of, any anticipated disposition of the investments, which could differ from the assumptions and circumstances on which the valuations are based. Accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of a valuation. Our determination of an investment's fair value may differ materially from the value that would have been determined if a ready market for the securities or other investments had existed and the valuations the managers of other funds or other third parties ascribe to the same investment. Our valuation of an investment at a measurement date could also differ materially from the value that is obtained upon the investment's exit.

We may permit deviations from U.S. GAAP and/or a Capital Advisors Vehicle's written valuation policies and procedures where they consider it to be appropriate, acting always in accordance with applicable, laws, regulations and rules applicable to each Capital Advisors Vehicle.

#### *Conflicts Relating to Fee Structure and Carried Interest*

Certain Capital Advisors Vehicles have fixed investment periods after which capital is only permitted to be drawn down in limited circumstances, and advisory fees are, at certain times during the life of those Capital Advisors Vehicles, based upon capital invested by the Capital Advisors Vehicles. This fee structure creates an incentive to defer the realization of investments and/or deploy capital when we would not otherwise have done so.

See also "*Item 6 – Performance-Based Fees and Side-by-Side Management*" for a description of the other conflicts that arise as a result of the methodology for determining the amount of carried interest earned by the general partner of a Capital Advisors Vehicle.

### *Conflicts Relating to Portfolio Fees*

As described in Item 5 above, we will often perform certain services for, and, consistent with the Governing Documents, will receive fees or reimbursements from, actual or prospective portfolio companies or other investment vehicles of the Capital Advisors Vehicles. Such fees will be in addition to any advisory fees or carried interest the Capital Advisors Vehicles pay us. This creates a conflict of interest between ourselves and the Capital Advisors Vehicles and their investors because the amounts of these fees and reimbursements are often substantial and the Capital Advisors Vehicles and, except in connection with the reductions described below, their investors generally do not have an interest in these fees and reimbursements. We generally determine the amount of these portfolio fees and reimbursements in our own discretion, subject to agreements with sellers, buyers, management teams, the boards of directors of or lenders to portfolio companies and/or third-party co-investors. There are also circumstances (such as the occurrence of an initial public offering or a sale where the Capital Advisors Vehicle maintains a material interest) that will accelerate the payment of a portion of such fees or otherwise result in the payment of other exit, performance-based or termination fees, which may have an adverse impact on the portfolio companies.

Although these portfolio fees are in addition to the advisory fees, we will in many circumstances be obligated to reduce the amount of advisory fees paid by the applicable Capital Advisors Vehicle by an amount equal to all or a portion of such portfolio fees. The specific amount and nature of this reduction varies among Capital Advisors Vehicles and is generally set forth in the Governing Documents of the applicable Capital Advisors Vehicle. Entities other than Capital Advisors Vehicles that participate in investments alongside the Capital Advisors Vehicles (such as entities through which we and certain of our employees and affiliates invest alongside the Capital Advisors Vehicles) often have a right to share in such fees, and advisory fees will generally not be reduced in connection with the receipt of such entities' share of such fees. In many cases with respect to the implementation of such arrangements, there is not an independent third party involved on behalf of the relevant portfolio company and therefore the fees are not subject to a market check. Therefore, a conflict of interest exists in the determination of any such fees and other related terms in the applicable agreement with the portfolio company by virtue of the fact that we are acting on behalf of both parties. Furthermore, as noted above, a Capital Advisors Vehicle will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee allocable to another entity, including, if applicable, a Co-Investment Vehicle. As some Capital Advisors Vehicles do not pay advisory fees (e.g., certain Co-Investment Vehicles), or do not have offset provisions requiring the reduction of advisory fees, any such reduction will not benefit such Capital Advisors Vehicles.

### *Conflicts Related to the Employee Retirement Income Security Act of 1974*

Although Capital Advisors Vehicles are not currently expected to hold "plan assets" subject to ERISA, one or more Capital Advisors Vehicles or Related Funds may, from time to time, hold "plan assets" subject to ERISA. If a Capital Advisors Vehicle or Related Fund holds "plan assets" subject to ERISA, we and certain related entities would be classified as "fiduciaries" under ERISA with respect to the plan assets of such vehicles when acting on behalf of such vehicles. ERISA imposes certain general and specific responsibilities and restrictions on fiduciaries with respect to plan assets. As a result, in the event a Capital Advisors Vehicle or Related Fund holds "plan



assets” subject to ERISA, such Capital Advisors Vehicle or Related Fund may be prohibited from entering into certain transactions if the investment would violate ERISA with respect to such Capital Advisors Vehicle or Related Funds, or may be obligated to take certain actions or refrain from taking certain actions in order to avoid a violation of ERISA with respect to such Capital Advisors Vehicle or such Related Funds.

#### *Conflicts Related to the Hiring of Asset Managers or Servicers*

The general partner of a Capital Advisors Vehicle will from time to time hire asset managers, servicers or other strategic counterparties (collectively, “Servicers”), including affiliates of ours or the general partner (or entities in which affiliates of ours or the general partner have an interest or a right to acquire an interest), to provide asset management, sourcing, due diligence, underwriting, loan and other asset servicing, accounting, operational or other services with respect to portfolio companies. The fees to be paid to the Servicer are determined at the discretion of the general partner taking into account the assets to be governed by such agreement, may include a profits interest or other incentive-based compensation to the Servicer, and are otherwise determined according to one or more methods, including a percentage of the value of the assets being serviced or the invested capital exposed to such assets, and/or a percentage of cash flows from such assets. In the event one or more Servicers is providing services to multiple Capital Advisors Vehicles, we will allocate such fees among these Capital Advisors Vehicles in a manner we deem fair and equitable, in our sole discretion. To the extent any such fees are payable to an affiliated Servicer, such fees will not reduce any fees otherwise payable to us or our affiliates and, other than fees payable as disclosed in a Capital Advisors Vehicle’s Governing Documents, will require approval of the Capital Advisors Vehicle’s advisory committee. Our affiliates or those of the general partner will benefit from these arrangements.

#### *Conflicts Related to Market Rates or Arms-Length Terms*

In certain circumstances where we commit or have committed to seek “market” or “arms-length” rates or terms, we will do so in our sole discretion. We reserve the right to deem third-party investment in a transaction to be verification that the transaction was entered into at a value that is “arm’s-length.” Consequently, we undertake no minimum amount of benchmarking, and do not represent that any such benchmarking ultimately will be accurate, comparable, or relate specifically to the assets, services, geographies, or comparable markets to which such rates or terms relate. Where such rates or terms include hourly components, we reserve the right to rely on approximations or estimates of time for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. Whether or not we have a relationship or receive financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost. To the extent the Capital Advisors Vehicles engage in a long-term or recurring contract with a service provider affiliated with us, we may not seek to benchmark or otherwise renegotiate the original fee arrangement for a significant period of time.

### *Conflicts Arising from the Exit of Certain Investments*

The general partner of a Capital Advisors Vehicle, or its affiliates, from time to time receives distributions in kind from an investment disposition. In the event the general partner, or its affiliates, receives such a distribution, the general partner may act in its own interest with respect to its share of securities and will determine to sell the distributed securities, or hold the distributed securities for such time as the general partner will determine. The ability of a Capital Advisors Vehicle's general partner to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner or affiliate, as an adviser to the Capital Advisors Vehicle, and the Capital Advisors Vehicle and its investors. This conflict may be exacerbated due to the enhanced knowledge and information the general partner has relative to the limited partners with respect to such securities.

### *Conflicts Related to the Interpretation of Governing Documents and Other Legal Requirements*

The Governing Documents, subscription agreements, management agreements, and other constitutional documents of each Capital Advisors Vehicle are detailed agreements that establish complex arrangements among us, the limited partners, the Capital Advisors Vehicle, the general partner and other entities and individuals. Questions arise under these agreements regarding the parties' rights and obligations in certain situations, some of which will not have been contemplated at the time of the agreements' drafting and execution. In these instances, the operative provisions of the agreements, if any, may be broad, general, ambiguous or conflicting, and permit more than one reasonable interpretation. At times, there will not be a provision directly applicable to the situation. While we will construe the relevant agreements in our good faith (it being understood that references to "good faith" in the Governing Documents refer to our subjective good faith, meaning honesty in fact) and in a manner consistent with our legal obligations (and, when appropriate, in consultation with external legal counsel), the interpretations we adopt will not necessarily be, and need not be, the interpretations that are the most favorable to the Capital Advisors Vehicles or their investors.

### *Conflicts Related to the Withholding of Certain Information*

The Governing Documents of certain Capital Advisors Vehicles generally permit each such Capital Advisors Vehicle's general partner to withhold information from certain limited partners or investors in such Capital Advisors Vehicle in certain circumstances. For instance, information will at times be withheld from limited partners that are subject to Freedom of Information Act or similar requirements. The general partner will also from time to time elect to withhold certain information to such limited partners for reasons relating to the general partner's public reputation or overall business strategy, despite the potential benefits to such limited partners of receiving such information.

In particular, it is anticipated that we and our affiliates will obtain certain types of material information from or relating to portfolio companies that will not be disclosed to investors because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of the general partner's control. Decisions by us or our affiliates to withhold information may have adverse consequences for investors in a variety of circumstances. For example, an investor that seeks to transfer its interest in a Capital Advisors Vehicle may have difficulty in

determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for an investor to monitor the Capital Advisors Vehicle and its performance. Additionally, it is anticipated that investors that designate representatives to participate on an advisory committee generally may, by virtue of such participation, have more or earlier information about the Capital Advisors Vehicle and its investments in certain circumstances than other investors.

## **ITEM 12 – BROKERAGE PRACTICES**

### ***Investment or Brokerage Discretion***

For each of the Capital Advisors Vehicles, we have sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. We seek the best price and execution available except to the extent we are permitted to pay higher brokerage commissions in exchange for brokerage and research services. “Best execution” means obtaining for a Capital Advisors Vehicle the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), subject to the circumstances of the transaction and the quality and reliability of the executing broker or dealer. Best execution is not limited solely to the consideration of the best available commission rate.

In selecting brokers or dealers, we generally consider various factors, including:

- the broker-dealer’s reputation, experience and financial stability;
- the broker-dealer’s ability to maintain our anonymity;
- the broker-dealer’s ability to provide competitive pricing;
- the transaction’s size and timing;
- the broker-dealer’s ability and willingness to commit capital and provide prompt and accurate execution and settlement;
- whether the broker-dealer makes a market in a security and/or finds sources of liquidity;
- the nature of the market for the security and the difficulty of execution;
- the broker-dealer’s trading expertise, including its ability to minimize total trading costs and to trade without unduly impacting the market;
- the belief that the broker-dealer charges fair and reasonable fees for trades, and that the Capital Advisors Vehicles have been treated fairly and honestly in prior trades;
- the quality of execution and service rendered by the broker-dealer in prior transactions;
- any proprietary research and investment ideas; and
- our overall relationship with the broker-dealer.

TPG BD may also, in some cases, facilitate transactions on behalf of Capital Advisors Vehicles. However, TPG BD will only serve as a broker-dealer in a transaction if it is consistent with our fiduciary duties.

We have no formal arrangements with specific brokers or dealers to receive research or other services beyond transaction execution in exchange for brokerage commissions from client transactions (so-called “soft dollar” arrangements). However, we may select brokers or dealers who provide us research reports and services, including:

- proprietary broker-dealer company research and analyses;
- oral and written reports, statistics and advice about the economy, industries and individual securities’ or company investment opportunities;
- reports on underwriting activity, bank rates, loan defaults, loan new issuance volumes and other capital markets statistics; and
- opportunities to confer with company management.

In accordance with Section 28(e) of the Exchange Act, broker-dealers providing such services are from time to time paid commissions on transactions for Capital Advisors Vehicles in excess of those that other broker-dealers not providing such services might charge so long as we determine in good faith the amount of commissions is reasonable in relation to the value of the brokerage and research services provided, taking into account all of the accounts over which we exercise investment discretion. Recognizing the value of the brokerage and research services provided, we from time to time allow a brokerage commission or negotiated term in excess of that which another broker might have charged for effecting the same transaction. A conflict of interest exists when a broker-dealer provides such research services, as we will have an incentive to favor such broker-dealer over another that may charge lower commissions.

We periodically evaluate the overall reasonableness of the brokerage commissions and negotiated terms paid to or made with broker-dealers with respect to client transactions by, among other things, seeking to compare such commissions and terms with the commission rates and negotiated terms being charged by and entered into with other comparable broker-dealers. We also periodically review the past performance of the broker-dealers with whom we have placed orders to execute Capital Advisors Vehicle transactions in light of the factors discussed above.

Please refer to the section above entitled “*Conflicts Related to the Hiring of Asset Managers or Servicers*” for a discussion of potential conflicts of interests that affect our choice of service providers, including broker-dealers.

### ***Cross Transactions***

Generally, we do not effect cross transactions between Capital Advisors Vehicles and Related Funds (a “cross-fund transaction”); however, they may be effected in rare instances. Such cross-fund transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Capital Advisors Vehicle may not receive the best price otherwise possible, or we might have an incentive to improve the performance of one Capital Advisors

Vehicle or a Related Fund by selling underperforming assets to another Capital Advisors Vehicle in order, for example, to earn fees. Additionally, in connection with such transactions, we

- may have significant investments, or intentions to invest, in the Capital Advisors Vehicle or Related Fund that is selling and/or purchasing such an investment; or
- otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment).

We may receive management or other fees in connection with our management of the relevant Capital Advisors Vehicles or Related Funds involved in such a transaction, and may also be entitled to share in the investment profits of the relevant Capital Advisors Vehicles or Related Funds.

In the event that we do effect cross-fund transactions between Capital Advisors Vehicles or Related Funds, we will seek to ensure that such transactions and any related disclosures are made consistent with applicable laws and agreements (including obtaining any requisite approvals thereunder) and our policies and procedures. In particular, we will seek to ensure that the transaction is:

- in our judgment, in the best interests of each Capital Advisors Vehicle involved in the transaction; and
- in compliance with any investment guidelines or restrictions for these Capital Advisors Vehicles.

In effecting these transactions, we will seek to ensure that the purchase or sale is effected at a price that is comparable to what price could be obtained through an arm's-length transaction with a third party and that is otherwise fair to both parties. We will maintain documentation to memorialize the basis for determining fairness in pricing. Neither we nor any of our affiliates will receive any compensation for effecting a cross-fund transaction.

### ***Continuation Vehicles and Continuation Transactions***

From time to time, we also establish one or more continuation vehicles with respect to one or more portfolio companies and to hold long-dated investments and/or investments targeting a lower return, among other purposes (each, a "Continuation Vehicle"). Subject to certain limitations, a Capital Advisors Vehicle may sell one or more of its portfolio companies to any such Continuation Vehicle, in each case in accordance with the Governing Documents (each, a "Continuation Transaction"). In addition, we are authorized, in our sole discretion, to offer one or more investors (and/or one or more co-investors or other direct or indirect investors in such investment) the ability to continue holding a direct or indirect interest in such investment (a "Retained Interest"). Given that we may charge advisory fees, carried interest, or other compensation from the buyer of such investment in return for providing post-sale advisory or similar services (including reimbursements for costs and expenses) in connection with any Continuation Transaction or Retained Interest, we can potentially benefit to a greater extent in pursuing a Continuation Transaction or Retained Interest over other types of transactions when pursuing a Capital Advisors Vehicle's exit from any

investment. This creates the potential for conflicts of interest, and such conflicts will not restrict us from utilizing a Continuation Transaction or Retained Interest if we determine to do so in our sole discretion and such utilization is permitted by the Governing Documents. For example, it is possible that new investors will be subscribing for interests in the Continuation Vehicle (“Funding Limited Partners”) alongside investors that are offered the opportunity to roll their interests in the underlying investments (“Rolling Limited Partners”) and that Funding Limited Partners may participate in any such Continuation Transaction on terms that are more or less favorable than the terms offered to Rolling Limited Partners, resulting in additional conflicts of interest between the interests of Funding Limited Partners and Rolling Limited Partners. In addition, Funding Limited Partners may participate on terms that could result in dilution of Rolling Limited Partners’ indirect interests in the relevant underlying investments and could adversely affect returns to such Rolling Limited Partners. Also, as a consequence of the potential for Funding Limited Partners to be offered preferred economics in the Continuation Vehicle, the amount and timing of returns to a Rolling Limited Partner from a Continuation Vehicle may not be the same as those for the Funding Limited Partners, which may be paid in priority to returns to the Rolling Limited Partners. Similarly, the terms applicable to any investor’s Retained Interest may be less favorable than the terms applicable to other interests in the relevant underlying investment that are sold by the Capital Advisors Vehicle. Additionally, conflicts of interest arise in Continuation Transactions as a result of the allocation of fees and expenses, because fees and expenses will be incurred in connection with the transaction, and we might determine to allocate bankers’ fees and certain other fees and expenses solely to selling investors and not to certain investors in the Continuation Vehicle or vice versa.

### ***Trade Aggregation***

In pursuing our investment objectives, we from time to time cause Capital Advisors Vehicles to purchase and sell publicly traded securities through brokers. If we have determined to sell or purchase a publicly traded security at the same time for more than one Capital Advisors Vehicle, the Chief Compliance Officer or his/her designee seek to ensure that combined orders for all Capital Advisors Vehicles are generally placed while assigning pre-order allocations. If an order for more than one Capital Advisors Vehicle cannot be fully executed, we typically “bunch” buy or sell orders for two or more Capital Advisors Vehicles into a single large order, and place the bunched order with a single broker or dealer for execution. In many instances, such “bunching” of orders can result in lower commissions, a more favorable net price or more efficient execution than if each Capital Advisors Vehicle’s order were placed separately. There may, however, be instances in which order bunching results in a less favorable transaction than a particular Capital Advisors Vehicle would have obtained by trading separately. Similarly, when orders are not bunched, there may be circumstances when purchases or sales of portfolio securities for one or more Capital Advisors Vehicles will have an adverse effect on other Capital Advisors Vehicles. We are not obligated to place all transactions on a “bunched” basis. We generally seek to avoid putting any Capital Advisors Vehicle at an advantage or disadvantage compared to other Capital Advisors Vehicles that are buying or selling the same security. Each Capital Advisors Vehicle participating in a “bunched” order generally participates at the same price as all other participants, and all transaction costs on the order are generally allocated pro rata to all participating Capital Advisors Vehicles.

## **ITEM 13 – REVIEW OF ACCOUNTS**

### ***Review of Accounts***

The investment portfolios of the Capital Advisors Vehicles are generally private, illiquid and long- or medium-term in nature; accordingly, our review of them is not directed toward a short-term decision to dispose of securities. However, we closely monitor the Capital Advisors Vehicles' portfolio companies and generally maintain an ongoing oversight position in such portfolio companies.

In addition, with respect to investments such as bank and other loans, financings, originations and related credit, fixed income and other instruments and claims, we continually review and analyze existing investment positions to attempt to identify issues early on and to take action when necessary. We meet periodically with members of our investment review committee to update them on such portfolio positions and related matters.

### ***Reporting***

We generally do not provide formal written reports to any Capital Advisors Vehicle unless specifically requested by the general partner of the vehicle. We generally report to investors in a Capital Advisors Vehicle in accordance with the applicable Governing Documents.

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

For information regarding any economic benefits we receive from non-clients, including a description of related conflicts of interest, please see “*Item 10 – Other Financial Industry Activities and Affiliations*” above. In addition, as discussed in Item 11, we and our related persons, in certain instances, receive discounts on products and services provided by portfolio companies held by Capital Advisors Vehicles and/or the customers or suppliers of such portfolio companies.

## **ITEM 15 – CUSTODY**

Not applicable.

## **ITEM 16 – INVESTMENT DISCRETION**

Pursuant to the Advisory Services Agreement of each Fund and certain Co-Investment Vehicles, and subject to the direction and control of the general partner of such Fund or Co-Investment Vehicle, we generally perform the day-to-day investment operations of each such Fund and Co-Investment Vehicle in accordance with the terms and conditions of the Advisory Services Agreement and Governing Documents of such Fund or Co-Investment Vehicle.

Some Co-Investment Vehicles are established to invest alongside one or more Funds in one or more particular investment opportunities. Because a Co-Investment Vehicle is typically contractually required, as a condition of its investment, to exit its investment in the particular investment opportunity at the same time and on the same terms as the applicable Fund that also is invested in the particular investment opportunity, we generally will not have any discretion to invest the assets of such Co-Investment Vehicles independent of such contractual requirements.

## **ITEM 17 – VOTING CLIENT SECURITIES**

We have been delegated the authority to vote proxies (which, for these purposes, includes other corporate actions, such as consent requests) regarding securities held by the Capital Advisors Vehicles. We have adopted and implemented policies and procedures reasonably designed to ensure that we vote proxies in the best interests of the Capital Advisors Vehicles. In exercising our voting discretion, we seek to avoid any direct or indirect conflict of interest between the Capital Advisors Vehicles and the voting decision.

It is our general policy to vote or to give consent on all matters presented to security holders in any proxy or similar request, and our policies and procedures have been designed with that in mind. However, we reserve the right to abstain on any particular vote or otherwise to withhold our vote or consent on any matter if, in the judgment of certain of our professionals, the costs associated with voting such proxy outweigh the benefits to the applicable Capital Advisors Vehicles or if the circumstances make such an abstention or withholding otherwise advisable and in the best interest of the applicable Capital Advisors Vehicles.

Capital Advisors Vehicles generally cannot direct our vote.

Our Chief Compliance Officer or his/her delegate (a “Proxy Reviewer”) is responsible for monitoring proxy decisions for any actual or perceived conflicts of interests. All proxy voting decisions require a mandatory conflicts of interest review by a Proxy Reviewer, which includes consideration of whether we or any investment professional or other person recommending how to vote the proxy has an interest in how the proxy is voted that may present a conflict of interest. When the Proxy Reviewer deems appropriate in his/her sole discretion, unaffiliated third parties may be used to help resolve conflicts or to otherwise assist us in fulfilling all or part of our voting obligations. In this regard, the Proxy Reviewer has the power to retain independent fiduciaries, consultants or professionals to assist with proxy voting decisions and/or to delegate to such persons voting and/or consent powers in accordance with our proxy voting policies and procedures.

When voting proxies on behalf of Capital Advisors Vehicles, we vote in a manner that we believe is consistent with the best interest of the Capital Advisors Vehicles, which may include agreeing with a third party to vote on a matter in a particular manner if we deem such agreement to be in the best interest of the Capital Advisors Vehicles. We do not permit proxy voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

In accordance with the requirements of the Advisers Act, we maintain records of our proxy voting for at least five years and, at a Capital Advisors Vehicle’s request, will furnish proxy voting information, free of charge, to the requesting Capital Advisors Vehicle within a reasonable period of time (usually within ten business days). Capital Advisors Vehicles may request proxy voting information by contacting the Chief Compliance Officer at (817) 871-4000 or by writing to TPG Capital Advisors, LLC, Attn: Chief Compliance Officer, at 301 Commerce St., Suite 3300, Fort Worth, Texas 76102.

## **ITEM 18 – FINANCIAL INFORMATION**

Not applicable.