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March 30, 2020

### **Item 1 – Cover Page**

This Brochure provides information about the qualifications and business practices of TRG Management LP. If you have any questions about the contents of this Brochure, please contact us at (212) 984-2900. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “SEC”) or by any state securities authority.

TRG Management LP is registered with the SEC as an investment adviser. Registration with the SEC as an investment adviser does not imply any level of skill or training.

Additional information about TRG Management LP is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

TRG Management LP has updated its Brochure to reflect the following material changes since its last annual filing on March 29, 2019:

- Item 4: Updated information and disclosure regarding TRG Management LP’s acquisition of an alternative emerging markets multi-manager business from Lazard Asset Management LLC (the “AEM Acquisition”);

The information contained in this brochure is as of March 30, 2020 unless otherwise noted.

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## **Item 4 – Advisory Business**

TRG Management LP was founded in 2002 by Nicolas Rohatyn as an alternative asset management firm focused exclusively on investing in the global emerging markets.

As a result of the GMO RR Acquisition, TRG Management LP is also the successor to the investment advisory business of GMO Renewable Resources, LLC (“GMO RR”), an investment advisory firm that was founded in 1997 and focused on providing institutional clients with discretionary and non-discretionary investment advisory services relating to investments in forestry and agriculture. Pursuant to the Acquisition, TRG Management LP assumed substantially all of the liabilities of GMO RR and acquired substantially all of the assets of GMO RR, including all of the investment advisory agreements of GMO RR and all of the outstanding equity of the non-U.S. investment advisory subsidiaries of GMO RR. In connection with the Acquisition, an affiliate of TRG Management LP also assumed the management of certain entities that serve as the general partner of private funds that were advised by GMO RR and are now advised by TRG Management LP.

As a result of the AIRRO Acquisition, affiliates of TRG Management LP replaced the general partners and managing members of, and assumed the investment advisory agreements of, certain private funds that were previously managed and controlled by affiliates of J.P. Morgan (the “AIRRO Funds”). The AIRRO Funds invest in Indian infrastructure assets.

As a result of the AEM Acquisition, an affiliate of TRG Management LP replaced the general partner of, and TRG Management LP assumed the investment advisory agreement of, a certain private fund that was previously managed by Lazard Asset Management LLC and controlled by an affiliate thereof (the “AEM Fund”). The AEM Fund invests in private investment vehicles that primarily invest in or trade in the securities of issuers that are economically tied to emerging market and/or frontier market countries.

TRG Management LP, its “relying advisers” that are identified in Schedule R of Part 1A of this Form ADV (the “Relying Advisers”), its “Participating Affiliates” and “Non-Participating Affiliates” that are identified in Item 10 of this Brochure and its affiliated special purpose vehicles that serve as general partner to various TRG-sponsored investment limited partnerships (the “SPVs”) are hereinafter collectively referred to as “TRG” or the “firm.”

TRG’s asset management business is managed by a team of senior professionals with extensive experience in a diverse range of asset classes within the emerging and global markets. TRG’s investment advisory services are also supported by a robust business management platform with expertise in risk management, finance and accounting, legal and compliance, global operations and custody, marketing, investor relations and information technology. TRG has offices in New York, Boston, Buenos Aires, Lima, London, Montevideo, Mumbai, New Delhi, Rotorua, São Paulo and

Singapore.<sup>1</sup> The principal owner and general partner of TRG Management LP is TRG Management Principals LP. Nicolas Rohatyn indirectly owns 25% or more of TRG.

TRG offers a diverse range of investment advisory services and strategies focused primarily on emerging markets. TRG's investment strategies span multiple asset classes and comprise four primary business lines: private equity and credit, forestry and agriculture, infrastructure and renewable energy, and public markets. The firm is able to offer investors both traditional forms of exposure to emerging markets as well as customized solutions.

TRG provides both discretionary and non-discretionary investment advisory services. TRG provides these services to a number of pooled investments vehicles, including, among others, investment limited partnerships ("LPs") and investment corporations ("Companies" and together with LPs and other pooled investment vehicles, the "Funds"), and to separately managed accounts ("SMAs"). TRG manages the Funds and SMAs on a discretionary or non-discretionary basis, as applicable, in accordance with the terms and conditions of each Fund's or SMA's investment management agreement and organizational documents, as applicable. TRG typically provides its discretionary advisory services to the Funds either as the general partner of the Fund (in the case of LPs) and/or pursuant to an investment management agreement.

The Funds are not required to register as investment companies under the Investment Company Act of 1940, as amended (the "Investment Company Act"), in reliance on either Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.

While the investment objectives and strategies pursued by the Funds are detailed in the relevant offering memorandum, SMAs managed by TRG typically permit the client to more closely tailor investment objectives, strategies, guidelines and restrictions to the client's unique investment objectives and risk thresholds. The particular strategies employed for each SMA client may range from investments in a single security, property or other asset to a diversified portfolio of securities, properties or other assets. Likewise, the governing documents of the SMAs may include negotiated restrictions on the geographical area in which investments may be made, the degree of concentration of investments in any single industry, the size of any single investment relative to the size of the SMA, the maximum anticipated holding periods for investments and similar criteria.

As of December 31, 2019, TRG and its affiliates<sup>2</sup> managed client assets of \$5, 664,622,727 on a discretionary basis and \$361,829,415 on a non-discretionary basis.

All discussions of TRG's practices in this Brochure are qualified in their entirety with respect to each SMA or Fund by the applicable investment management agreement or offering and

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<sup>1</sup> In addition, TRG Management LP's advisory affiliate, Balam Administradora S. de R.L. de C.V., maintains an office in Mexico City, and TRG Management LP's advisory affiliate, Capital Advisors Partners Asia Pte Ltd., maintains an office in Singapore.

<sup>2</sup> Inclusive of Balam Administradora S. de R.L. de C.V. and Capital Advisors Partners Asia Pte Ltd.

organizational documents, as applicable, governing the SMA client's or Fund's account with TRG, including without limitation all practices pertaining to the account's investments, strategies used in managing the account, fees and other costs associated with an investment in the account, and conflicts of interest faced by TRG and its affiliates in connection with the management of the account.

## **Item 5 – Fees and Compensation**

TRG receives asset-based fees in consideration for its rendition of investment advisory services to Funds and SMAs ("Management Fees"). Management Fees charged to the Funds are generally charged quarterly or semi-annually, may be charged in arrears or in advance, and typically range between 0.55% and 2.0% per annum of the net asset value of the applicable Fund attributable to a particular class or series of the Fund's shares or interests, or attributable to a particular investor's investment in the Fund. Management Fees charged to SMAs are subject to individualized negotiation with each such client. In some cases, for a limited initial period, TRG's Management Fee may be calculated based on an investor's capital contributions or capital commitments rather than the net asset value of the investor's interest. From time to time TRG also may agree with a client to an advisory fee set at fixed dollar amounts.

Most Funds and SMAs that pursue public market strategies also pay performance-based fees or make performance-based allocations to TRG ("Public Markets Performance Compensation"). Public Markets Performance Compensation is generally calculated based on a percentage of the net profits of a Fund attributable to each investor's investment in the Fund, or on the net profits of an SMA, as applicable, as measured at the end of each fiscal year (or, in the case of redemptions or withdrawals from the Fund or the SMA, at the time of such redemption or withdrawal, as applicable). Public Markets Performance Compensation is also generally subject to a loss carry forward provision and in some cases may be subject to a hurdle rate. Public Markets Performance Compensation percentages typically range between 10% and 25%. In measuring an investor's net profits for the calculation of Public Markets Performance Compensation during the relevant period, both realized and unrealized gains and losses are typically included, except to the extent that the governing documents and/or management agreement of a Fund or SMA may provide that, in the case of certain investments designated as "side pocket" investments by TRG, only realized gains and/or realized losses are taken into account in measuring net profits for Public Markets Performance Compensation purposes.

Funds and SMAs that pursue infrastructure, renewable energy, private equity and credit strategies generally utilize detailed waterfalls for the apportionment of proceeds from dispositions of Fund or SMA investments, or income from Fund or SMA Investments, as set forth in each such Fund's or SMA's governing documents and/or management agreement. Typically, after providing for the return of invested capital to investors, such waterfalls provide for the allocation and distribution to TRG of a portion of the realized net profits, which portion may range between 10% and 20%

("Private Equity Carried Interest"). In some cases, the waterfall may first distribute a preferred return to investors before distributing any Private Equity Carried Interest to TRG.

Funds and SMAs that focus on forestry and agriculture investments generally calculate and pay performance-based compensation to TRG (any such compensation, together with the Public Markets Performance Compensation and the Private Equity Carried Interest, the "Performance Compensation") in a manner similar to that of Private Equity Carried Interest, but in some cases such compensation may be based upon the value of unrealized (as well as realized) appreciation of the underlying assets, and the rate of such compensation is typically 15% of the applicable profit amount.

The calculation and payment of the Performance Compensation applicable to a particular interest in a Fund or to an SMA is described in detail in the governing documents and/or management agreement of the applicable Fund or SMA. All Fund investors should refer to the applicable Fund's offering documents and governing documents for a full description of the Management Fees and Performance Compensation to be charged to the different interests/shares offered by the Fund, as well as any applicable lock-up periods and early redemption/withdrawal fees.

Please refer to Item 6 for a discussion as to how Performance Compensation may create an incentive for TRG to favor certain clients over other clients in the allocation of investment opportunities, and may create an incentive for TRG to cause the Funds and SMAs to make investments that may be riskier or more speculative than those that would be made in the absence of performance-based compensation arrangements.

### **Additional Information Relating to Fees and Compensation**

Payment of Fees: The Management Fees and Performance Compensation payable to TRG by each Fund is deducted directly from such Fund. SMA clients are typically billed for Management Fees and Performance Compensation but, subject to TRG's approval, may direct TRG to debit Management Fees or Performance Compensation from their SMA.

Negotiability of Fees: In certain circumstances, fees may be negotiable. TRG may, as agreed to with the investor on a case-by-case basis, charge a Management Fee and/or Performance Compensation that is lower than, or otherwise on different terms than, those described above.

Termination of Advisory Relationship: Upon termination of any account, any prepaid, unearned Management Fees will be promptly refunded. Investors in each Fund should refer to the applicable Confidential Memorandum and other offering documents of the applicable Fund for complete information on the applicable redemption/withdrawal terms and any applicable "lock-up" periods and related fees.

Brokerage Fees and Expenses: TRG's Management Fees and Performance Compensation are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that are incurred by the applicable SMA or Fund. Such charges are generally imposed on the applicable SMA

or Fund by custodians, brokers and other third parties, and include, among other things, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities and property transactions. Item 12 further describes the factors that TRG considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation.

**Mutual Fund Fees and Expenses:** To the extent a Fund or SMA invests in SEC-registered investment companies (open-end and closed-end) or exchange traded funds (“ETFs”), all fees paid to TRG for investment advisory services are separate and distinct from (and in addition to) the fees and expenses charged by those funds to their shareholders. These fees and expenses are described in each mutual fund’s prospectus. These fees and expenses will generally include, among other things, a management fee and may include a distribution fee.

**Other Expenses Generally:** Investors in a Fund, indirectly through their participation in the Fund, generally bear all expenses related to the organization of, and the offering and sale of interests in, such Fund. In certain cases, the amount of such expenses borne by investors in a Fund may be subject to a maximum amount stated in the Fund’s organizational documents. Organizational and offering expenses of a Fund typically include, among other things, legal fees, accounting fees and various filing fees. Other than compensation of TRG’s personnel and certain other general overhead expenses of TRG, SMA clients and investors in a Fund (indirectly through their participation in the Fund) generally bear all expenses related to the relevant account’s or Fund’s investment activities. Such expenses include, without limitation, diligence costs related to the identification of potential investments (whether or not such investments are consummated), legal (including diligence, drafting, and negotiation expenses), custody fees, accounting and tax preparation fees, consulting fees, travel and other costs and expenses incurred in connection with the acquisition, management or disposition of investments, appraisal fees, insurance costs and litigation and other extraordinary expenses. The types of fees and expenses borne by a Fund or SMA are described in further detail in the offering documents, governing documents and/or management agreement of the applicable Fund or SMA.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

The Investment Advisers Act of 1940, as amended (the “Advisers Act”), restricts the payment of performance-based fees, such as Performance Compensation, to investment advisers registered under the Advisers Act. However, SEC Rule 205-3 permits the payment of performance-based compensation to registered investment advisers provided that the clients (including investors in investment vehicles such as the Funds) meet certain financial qualifications. The offering of the interests in the Funds and the SMAs that are subject to Performance Compensation are structured to comply with Rule 205-3, and accordingly those TRG clients meet the qualifications set forth in Rule 205-3.



Performance-based fee arrangements may create an incentive for TRG to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement. In order to seek to mitigate the incentive to undertake more speculative investment strategies than as agreed to with the client, TRG adheres to the investment policies and guidelines outlined in the Funds' and SMAs' offering memoranda and investment management agreements, as applicable. TRG also employs an approach to risk management that is designed to be comprehensive, disciplined and guided by the principle of maximum prudent transparency. Please refer to Item 8 for a more detailed discussion of the firm's risk management practices.

Performance-based fee arrangements may also create an incentive for TRG to favor such accounts over other accounts that are not subject to performance-based fee arrangements when allocating investment opportunities among such accounts. Similarly, accounts that generally pay fees to TRG at relatively high rates (whether performance-based fees or other types of fees) may create an incentive for TRG to favor those accounts over accounts that pay fees to TRG at relatively low rates. In order to seek to mitigate these incentives, and because TRG has a duty to treat all of its clients fairly and equitably over time, TRG has implemented investment allocation procedures that are designed to seek to ensure that it fulfills this duty. Please refer to Items 11 and 12 for a more detailed discussion of the firm's investment allocation procedures.

Because the calculation of certain Performance Compensation may be based on unrealized gains, and because TRG may have discretion in valuing a Fund's or SMA's assets when it determines that market prices are unavailable or inaccurate, such fees may create an incentive for TRG to overvalue assets in order to accrue greater Performance Compensation. In order to seek to mitigate this incentive, TRG has adopted and adheres to a valuation policy outlined in the firm's Compliance Manual. Pursuant to this policy, TRG values liquid assets in its portfolio three times each business day at regionally significant market closes (i.e., Asia, Europe and New York) and utilizes a combination of direct market pricing (e.g., Bloomberg, Thomson Reuters) to price listed securities and model-derived valuations for OTC positions. In addition to its daily preliminary, unaudited "flash" P&L calculations, TRG undertakes a month-end pricing process in which all of the positions in each applicable Fund and SMA are priced and tested against internally derived thresholds. The Fund or SMA administrator, or other designated third-party service provider, also independently prices and tests the entire liquid portfolio against their own internal pricing thresholds. Any pricing discrepancies are investigated until an agreeable valuation is reached.

In the case of certain clients with investment strategies focused on illiquid assets (e.g., forestry and agriculture, private equity, renewable resources), the client's illiquid assets are valued by independent third parties. However, such appraisals are based on the appraisers' assumptions and estimates of many factors, and an appraiser may rely on data provided by TRG regarding a property and its management and disposition strategy. To the extent of any dispute with an appraiser regarding the methodology, data, assumptions and/or estimates used in a valuation, TRG may have an incentive to favor the use of a methodology, data, assumptions and/or estimates that could result in the highest valuation. TRG likewise may have an incentive to provide an appraiser with data and information regarding TRG's disposition strategies that could result in higher valuations.

To address such potential conflicts, certain clients have the right (which in the case of applicable Funds is exercised by an Advisory Committee comprised of voting representatives of investors unaffiliated with TRG) to obtain a reasonable number of separate appraisals and for the client to use the appraisal obtained by the investors in the event of a material disparity between the appraisal values.

## **Item 7 – Types of Clients**

TRG provides investment advisory services to the Funds and SMAs, which from time to time may include a wide variety of investors, including, but not limited to, endowments, foundations, employee benefit plans, family offices, governmental entities, taxable corporations, pooled investment vehicles, trusts, other institutions and high net worth individuals.

TRG typically imposes a \$1,000,000 to \$5,000,000 minimum initial investment amount for each Fund. However, a Fund may accept investors that make smaller initial investments at TRG's discretion. To invest in a Fund, TRG generally requires the prospective investor to complete and submit a subscription agreement binding it to the terms of the Fund's governing documents. For SMAs, TRG in its sole discretion may impose a minimum portfolio size. To establish an SMA, TRG generally requires the prospective client to execute an investment management agreement that sets forth the terms under which TRG will provide its services.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis and Investment Strategies**

Since TRG's inception, it has expanded its expertise in a wide range of investment disciplines and currently has product offerings across private and public markets. In formulating advice and managing assets, TRG primarily relies on fundamental analysis. TRG's multi-product line construct is designed to support information flow and business efficiency, creating synergies across strategies that enhance overall performance. TRG leverages these resources to offer investors both traditional forms of exposure to emerging markets as well as customized solutions in the form of bespoke mandates or separately managed accounts.

#### *Private Equity & Credit*

Private Equity & Credit encompasses a collection of global, regional and country focused Funds and SMAs. Geographic coverage is primarily focused on Latin America and Eastern Europe but also includes Asia and the Middle East and North Africa. Investments are focused on mid-market, late stage growth capital and buyouts in companies with (i) an established market leadership position, (ii) sound, clearly identifiable growth prospects, (iii) strong financial position with stable predictable cash flows, (iv) potential to be a platform for local, regional and international market

consolidation, and (v) international focus and a strong management team. Due diligence, mostly done in-house, consists of a comprehensive, in-depth analysis of the investment opportunity, including on-site visits to company facilities and interviews with the company's largest customers, sales agents and suppliers, a review of the industry, business, financials, transaction terms and structure, sensitivity analyses, independent consultancy reports (if necessary), accounting and legal reports, and other relevant information. Typical functions performed by third parties are those requiring specific technical skills, particularly with respect to accounting, tax and legal advisors for due diligence and transaction documentation, or industry/technical analysis and background checks. TRG is flexible with regard to investment structures in order to maximize exit possibilities, adjust risk-returns and capture the best opportunities. The Firm normally invests in direct equity stakes of its portfolio companies, with control or significant minority holdings.

### *Forestry & Agriculture*

Forestry & Agriculture includes a number of Funds and SMAs. Geographic coverage spans New Zealand, the United States, Australia and Latin America. Investment analysis includes valuations of assets using discounted cash flow, comparable sales and replacement cost methods. As appropriate, the analysis may be informed by proprietary modeling and factors such as forest health, timber volume, timber quality, site quality, soil productivity, suitability for particular crop types, actual property crop production history, availability of farmers to lease or farm on a contract basis, local grain markets and storage capability, rainfall, water rights, market strength, local market log standards, transportation costs, harvest costs and local regulatory environment, among others. Data for these factors is sourced from in-house databases compiled with information derived from the worldwide property holdings of the Funds and SMAs, from information provided by sellers, brokers, local property managers and consultants, and from public sources for more general items such as timber and agricultural pricing, rainfall and other historical weather data, shipping costs and currency forecasts.

While TRG considers a broad spectrum of investment opportunities, including ones marketed in competitive open bid processes, many of TRG's investments in forestry and agriculture are focused on properties that are expected to attract less competition from other buyers. This includes properties that have a low level of expected cash flow in the near term (and are thus not suitable for debt financing), properties that are located in lesser known areas (including outside the U.S.) and properties that require intensive upfront structuring (such as multi-party transactions). Such properties may then be held until they become more marketable.

### *Infrastructure & Renewable Energy*

Infrastructure & Renewable Energy encompasses TRG affiliate CapAsia (defined below) as well as global and country focused renewable and clean energy strategies, including the Balam joint venture. Geographic coverage spans Southeast Asia as well as Mexico, Brazil, India and China. CapAsia invests across multiple infrastructure sub-sectors in Southeast Asia including power, renewable energy, transportation, telecommunications, social infrastructure and environmental services via equity and mezzanine structures. Investments are primarily made in

operating assets or assets expected to become operational and generate cash flows within a reasonable period of time after investment. Due diligence, mostly done in-house, consists of financial analysis, assessment of the management team and ESG evaluation, among other factors. Balam invests in Mexican renewable power generation projects and companies such as small- to medium-sized hydroelectric, wind, biomass and solar facilities, and in the energy efficiency industry. Investments include both greenfield (generally later in the development stage) and operating (brownfield) projects however all are based on proven technologies, to minimize development risk. Due diligence, mostly done in-house, consists of an evaluation of the regulatory framework, preliminary engineering, the developer's and engineer's track record and experience, and proposed capital structure as well as financial modeling and sensitivity analysis; among other factors. Third-party advisors are engaged to conduct further financial due diligence as well as technical, legal and environmental due diligence.

### *Public Markets*

Public Markets includes TRG's fixed income strategies and equities strategies, as well as certain other strategies pursued by TRG-sponsored hedge funds. TRG manages long only fixed income and equity investment strategies as well as multi-asset class discretionary macro hedge funds. The investable universe spans more than fifty emerging and frontier markets in addition to several other countries on an opportunistic basis. Investment decisions for the fixed income and hedge fund strategies are generally made based upon a combination of fundamental and technical analysis of economic variables, expectations for central bank policy, current market positioning and risk appetite, technical levels, relative attractiveness of investment opportunities in other asset classes and other factors that may be asset-class specific. This analysis is applied as applicable to the relevant investment objectives of the fixed income and hedge fund investment strategies, which have benchmark relative and absolute return targets, respectively. Investment decisions for equity strategies are generally made based upon bottom-up analysis driven by on-the-ground primary research of publicly listed companies with a top-down macroeconomic overlay and a long-term investment horizon. TRG seeks to invest in companies that it believes have competitive business models, professional management and governance standards, above-trend return on invested capital and earnings growth at reasonable valuations. This analysis is applied to the investment objectives of the equity investment strategy, including an absolute return target over the market cycle.

### *Risk Management Generally*

TRG believes that risk management is a central feature of investment performance in emerging markets. TRG seeks to identify, quantify and monitor risk for each investment along several dimensions, to the extent practicable, including financial, market, operational, credit, legal, counterparty and liquidity risk. This process is intended to identify sources of risk particularly relevant to cross-border exposure where differences in regulatory frameworks, and market and industry practices can be incremental sources of risk. For the public markets portfolios, TRG normally measures risk primarily based on "value at risk" under various, often extreme, market conditions and scenarios. Typically, the risk taken is expected to be higher in periods during which

TRG anticipates greater investment opportunity, and lower in periods during which TRG anticipates lesser investment opportunity. Allowing risk to vary based on the opportunity set is anticipated to be superior to a process that forces a constant level of risk even when inputs suggest that there is lower than average opportunity.

### **Risk of Investment Loss Generally**

Investing in securities, in forestry and/or agricultural investments (either directly or through securities issued by limited partnerships, limited liability companies or other similar vehicles) or in other assets of the type managed by TRG involves risk of loss that clients should be prepared to bear. Risks generally applicable to investments through Funds and SMAs include, among other things, the following:

- The Funds and SMAs rely on TRG's ability to achieve its clients' investment objectives by effectively implementing its investment approach. In addition, the success of certain investments may be dependent on third-party managers to implement strategies and perform certain other functions with respect to investments. The Funds and SMAs bear the risk that TRG's proprietary investment techniques and risk analyses will fail to produce the desired results and that deficiencies in TRG's and/or a third-party's implementation of operational strategies will cause losses for the Funds or SMAs or hinder strategy operations. The success of a client's investments is therefore dependent on the success of TRG and, in certain cases, the underlying operational success of entities in which TRG directs the client's investment capital.
- Investments made by Funds and SMAs may rely upon models, projections, forecasts or estimates developed by TRG or others concerning the future performance of an investment or relevant markets. These tools are based on a number of assumptions (which may or may not be express), and there is no guarantee as to the accuracy or completeness of such assumptions or that they will be free from data and other errors undetected by TRG. Similarly, there is no guarantee that TRG, in the course of implementing its investment strategy, will correctly identify and account for all factors potentially relevant to such strategy. Any imperfections, limitations or errors in those models, projections, forecasts or estimates could affect their accuracy and the ability of the Funds and/or SMAs to achieve their investment objectives.
- Certain investments may be made through partnerships, joint ventures or any other entities. Such investments may involve risks not present in direct or wholly-owned investments, including, for example, the possibility that a co-venturer or partner might become bankrupt, or may at any time have economic, business or governmental/public policy interests or goals that are inconsistent with those of the Fund or SMA making the investment. In addition, a Fund or SMA may be liable for actions of its co-venturers or partners. In some instances, an investment of a Fund or SMA may represent a minority or

non-managing interest resulting in co-venturers or partners being in a position to take action contrary to the objectives or interests of the Fund or SMA.

- From time to time a client's portfolio may become concentrated in a relatively narrow range of financial markets and/or asset classes, or contain one or more investments that are substantial in size relative to the size of the entire portfolio. Under such circumstances, the portfolio will be less diversified and may be more volatile than an investment portfolio comprising a variety of asset classes, and/or comprising exposure to a variety of markets and/or investments, the prices of which may be influenced by factors other than those to which the client's portfolio is then subject.
- Investments in Funds are relatively illiquid investments that involve a high degree of risk. Accordingly, only investors financially able to maintain such an investment for an indefinite period, and who can afford to lose all of such an investment, should invest in a Fund. Furthermore, there is not now, and there is not likely to develop, any market for the resale of investments in Funds. Additionally, investments made by certain Funds and/or SMAs may be highly illiquid and/or may involve long-term holding periods, in which case it may be impracticable to liquidate such investments in a timely manner, and/or such investments may not produce a realized return to clients or investors for a period of several years. Such longer-term investments may also be subject to an increased possibility of unforeseen changes that could have adverse effects on the performance of such investments. There is no guarantee that illiquid investments will be sold within a Fund's term or any extension thereof. Investments that are still held by a Fund after the expiration of its term may need to be sold at a substantial discount during liquidation.
- Some Funds and SMAs may invest in assets for which no liquid market exists, making such investments difficult to value accurately. In such instances, TRG may have the ability to assign fair value to such assets, or a Fund's or SMA's governing documents may require independent valuation by third parties. Any such valuations will be based on multiple assumptions, and even third-party appraisers may rely on data provided by TRG regarding an asset. Any or all of such data, assumptions and estimates used by TRG or an independent appraiser may prove to be inaccurate resulting in incorrect estimates of asset value.
- Subject to any explicit limitations in a Fund's or SMA's governing documents, it is possible that investments may be leveraged, including indirectly through derivative instruments that are inherently leveraged. Although leveraging could enhance the ability of an account to acquire additional investments, it could also increase exposure to losses. In the event an investment cannot generate adequate cash flow to meet debt service, a Fund or SMA may suffer a partial or total loss of capital invested in such investment and any others used as collateral. In addition, lenders could seek to impose restrictions on the future borrowing, distribution and operating policies of the Fund's or SMA's investments. Further, market conditions could make financing difficult or costly to obtain at a time when such financing or refinancing would otherwise be desirable for an investment.

- Certain Funds or SMAs may utilize financial instruments such as forward contracts, currency options, stock index futures and options and interest rate swaps, caps and floors both for investment purposes and to seek to hedge against fluctuations in the relative values of the portfolio as a result of changes in currency exchange rates, market interest rates and securities or other asset prices. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also frequently may limit the opportunity for gain if the value of the portfolio position should increase. Moreover, it may not be possible for the Fund or SMA to hedge against an exchange rate, interest rate or price fluctuation that is so generally anticipated that the Fund or SMA is not able to enter into a hedging transaction at a price sufficient to protect against the decline in value of the portfolio position anticipated as a result of such a fluctuation.
- Funds and SMAs may be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. A sustained downturn in the regional focus or global economy (or any particular segment thereof) could adversely affect the applicable Fund's or SMA's profitability, impede the ability of its portfolio companies to perform under or refinance their existing obligations, and impair its ability to effectively exit investments on favorable terms. Any of the foregoing events could result in substantial or total losses in respect of certain investments, which losses would likely be exacerbated by the presence of leverage in a portfolio company's capital structure.
- Inflation-linked bond products can be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities' prices and the liquidity of the applicable Fund's or SMA's investments. Volatility or illiquidity could in turn impair the Fund's or SMA's profitability or result in losses.

### **Emerging Market Investment Risks**

The following discussion provides a summary of certain material risks specifically associated with the investment strategies offered by TRG that focus on emerging markets:

- Investing in emerging markets involves exposure to economic structures that generally are less diverse and mature, and to political systems that have less stability than those of developed countries. Other characteristics of emerging markets that may affect investment include certain national policies that may restrict investment by foreigners and the absence of developed legal structures governing private and foreign investments and private property.

- In the past there have been periods marked by severe market volatility, financial institution failures and large-scale financial fraud in the emerging markets. The duration, severity and ultimate effect of such market conditions and government responses thereto cannot be predicted. Deterioration in emerging market conditions could result in declines in the market values of TRG's clients' investments and diminished investment opportunities for such clients, and could prevent TRG from successfully executing its emerging market investment strategies, cause TRG and its clients to alter those investment strategies or require clients of TRG to dispose of investments at a loss.
- Emerging market governments may intervene in certain financial markets for the purpose of influencing the values of particular securities or the broad direction of those markets, ultimately increasing the volatility of those markets. Such increased volatility could result in substantial losses for a Fund's or SMA's investments in those markets.
- The typically small size of the markets for securities of issuers located in emerging markets and the possibility of a low or non-existent volume of trading in those securities may also result in a lack of liquidity and in price volatility of those securities. Certain emerging market countries are known to experience long delays between the trade and settlement dates of securities purchased or sold. In addition, there is a possibility of expropriation, nationalization, confiscatory taxation and limitations on the use or removal of funds or other assets located in emerging markets, including the withholding of dividends.
- Brokerage expenses and other transaction costs are generally higher in emerging markets than in other countries. Securities markets, broker-dealers and issuers in emerging markets generally are also subject to less government supervision and regulation than those in other countries. Further, disclosure and reporting requirements may be minimal and anti-fraud and insider trading legislation may be less comprehensive and/or subject to less aggressive enforcement.
- The economies of individual emerging market countries may differ favorably or unfavorably from the economies of other countries in such respects as growth of gross domestic product, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency, accounting standards and balance of payments position. Further, the economies of emerging market countries may be heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. Emerging market economies also have been and may continue to be adversely affected by economic conditions in other emerging market countries with which they trade.
- Many of the laws that govern private and foreign investment, securities transactions and other contractual relationships in emerging markets may be new and untested. As a result, Funds and SMAs investing in such markets may be subject to a number of unusual risks,



including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment. Any related difficulty in protecting and enforcing rights could have a material adverse effect on the performance a Fund's or SMA's investments.

- Funds and SMAs that invest in emerging markets generally will be exposed to currency fluctuations in the countries in which their investments are located, and the Funds and SMAs are generally not obligated to engage in any currency hedging operations. Volatility in international exchange rates can affect pricing and the profit margin on sales and global export demand for products produced by a client's investments. In addition, foreign currencies received with respect to foreign investments may not be freely convertible into a client's base currency, and it may not be possible to fully repatriate out of the various foreign countries certain currency received there. Further, to the extent a Fund's base currency is different than that of an investor in such Fund, the investor will need to convert its local currency into the Fund's base currency in order to make contributions and convert distributions from the Fund back to its local currency. As a result, exchange rate fluctuations could adversely affect the rate of return of investments both at the client and investor level. Finally, clients may encounter difficulty in competing for investments to the extent that valuations in a client's base currency are behind local and/or other foreign currency capital competing for such deals.

### **Forestry & Agriculture Investment Risks**

The following discussion provides a summary of certain material risks specifically associated with the investment strategies offered by TRG that focus on the forestry and agricultural asset class:

- The forestry and agriculture products businesses are large and competitive. Competitive factors may include price, species and grade, crop type, proximity to markets, ability to meet delivery requirements, increasing availability of substitute products, and supply and demand in the relevant market area. Investments made by Funds and SMAs will compete with a number of large, well-financed regional and international forestry and/or agriculture companies experienced in all aspects of these businesses. In addition, in many instances, these competitors will have more experience in the geographic regions where the investments are located.
- The forestry and agriculture industries are subject to extensive environmental regulation in the U.S. as well as abroad. In recent years, environmental laws in countries outside the U.S. have become more stringent and enforcement has intensified. It is likely that additional regulations both inside and outside of the U.S. will become applicable to the operations of investments, resulting in increased costs, reduced operating flexibility and additional capital expenditures, which could adversely affect operating results. Additionally,

comprehensive environmental reviews of properties under consideration may not always be possible or practicable. It is possible that even where environmental reviews are conducted, they will not uncover all potential environmental problems, which in turn could result in significant liabilities to a Fund or SMA, even if such Fund or SMA did not cause or contribute to such environmental problems.

- There is a possibility that in some countries in which investment properties are located, including the U.S., the export or import of timber and/or agricultural products could be taxed, subject to volume limitations, or otherwise discouraged or prohibited by governmental authorities. Such limitations may negatively impact the value of investments.
- Forestry and agricultural properties are subject to a number of natural hazards, including damage by fire, drought, flood, insects and diseases, competing vegetation or soil infertility. Severe weather conditions and other natural disasters may also reduce productivity of investments and may interfere with the processing and delivery of products. Similarly, long-term climate changes may negatively affect investment properties. Disease and pest control methods are not always successful and, in addition to posing difficult environmental compliance problems, can be very expensive. Insurance against loss may not be obtainable, or may not be obtainable at a reasonable cost, and thus investments may not be insured against major risks.
- Agricultural product prices can be highly volatile and can fluctuate materially over a short period of time due to changing demand patterns, transportation difficulties, climatic events and numerous other reasons. Increases in productivity and/or decreases in demand for certain agricultural crops may lead to an oversupply in such crops and a resulting decline in prices. In contrast, rapid and marked price increases can occur in years when there is a material decrease in the global supplies of agricultural products, which are generally caused by crop failure in one or more of the world's major producing regions. Crop failures can occur for many reasons, but have been generally short-lived and have not caused a marked or prolonged decline in consumption. However, there can be no assurance that future price "spikes" from such supply swings will not be permanent and a prolonged increase in the price of certain agricultural products could adversely affect demand and the prospects for a Fund's or SMA's investments. In addition, the use of certain agricultural staples for non-agricultural purposes (for example, corn used in ethanol production) can affect prices. While certain agricultural products are staples, others are regarded by consumers as discretionary items, and during periods of recession or economic downturn, the prices of such products often drop substantially.
- Properties leased to local operators are subject to counterparty risk if the operator fails to pay all or part of the agreed lease payment. In situations where an operator is farming a property on a crop-share lease, the Fund's or SMA's crop-share will be dependent on the operator's ability to successfully grow and/or market the relevant crop. The impact of a

lease counterparty's non-performance may be magnified if an investment is unable to meet its other obligations, such as debt payments, as a result of lost lease income.

- Material contracts for Funds and SMAs, including real estate purchase and sale agreements, property management agreements and supply agreements, are generally individually negotiated and highly customized. Counterparties, courts and/or agreed mechanisms of alternative dispute resolution may interpret contractual terms differently than a Fund or SMA and, in such cases, the Fund or SMA may not be able to obtain the benefit of negotiated provisions either due to potentially high costs associated with pursuing contractual claims or due to adverse rulings after litigation of a claim.
- The products and services required in connection with the care and maintenance of livestock, including food, veterinary and other health services (including disease prevention and treatment) may be expensive and the costs of such products and services may unexpectedly increase. In addition, Funds and SMAs may face potential liability or export bans in the event contaminated livestock products are identified. Any of the above factors could adversely affect the operating results of a Fund's or SMA's livestock-related investments.
- The management strategy for timber investments may include the negotiation of long-term supply contracts guaranteeing customers a stable flow of timber at market prices. Such contracts would require that timber be harvested regardless of current market prices. Because the pricing mechanism in such contracts is usually determined by some fixed formula (e.g., a fixed price based on prices at mills in the same market), it is possible that these contracts could result in foregoing certain spot market opportunities that otherwise could yield increased returns. Long-term supply contracts may also require that an investment unit continue harvesting when prices have decreased to a point that the harvesting activities would have been limited in the absence of the supply requirements. In addition, long-term supply contracts also expose the investment to counterparty risks as the customer to which timber is sold pursuant to the supply contracts could default, which could leave the investment without a secured customer for its timber.
- Due to the importance of agriculture to the sustainability of society, agricultural markets are typically the subject of significant government subsidies, interventions and other programs. Political action is inherently unpredictable and creates a material uncertainty in agricultural markets. The existence and/or continuation of government subsidies in the agricultural sector often determine whether it is economically feasible to continue to produce a particular crop. In certain of the emerging markets in which Funds and SMAs may make investments, not only is the role of political influence significant, but such influence is also highly unpredictable. Furthermore, political embargoes, restrictions on land ownership, expropriation and other actions taken by the governments of the countries in which Funds and SMAs may invest or in which agricultural products may be sold may also materially affect prices.

- The machinery used in timber and crop production and processing is dangerous and serious injuries may occur from time to time despite best efforts to train workers and use state-of-the-art equipment. In addition, certain regions can experience extremely high temperatures and workers may suffer from sun exposure, dehydration and other heat-related health conditions despite having access to water, shade, rest periods and protective clothing. In general, Funds, SMAs and their respective subsidiaries will contract with farm and forest management companies regarding certain property and other day-to-day management matters. Such companies may further subcontract with other contractors regarding the performance of work on the investment properties. As such, Funds, SMAs and their respective subsidiaries are generally not anticipated to have any employees. However, in certain jurisdictions, particularly developing countries in Central and South America, labor laws provide for a landowning or contracting entity to be secondarily liable for wages and other benefits of workers to the extent that their employer fails to pay such items and the services were performed by the workers for the benefit of the landowning or contracting entity. Funds and SMAs may mitigate the potential for secondary labor liabilities by seeking to obtain indemnification rights from contracting parties. However, there is no guarantee that Funds and SMAs will always obtain such indemnification or, even if obtained, that a counterparty will have the financial capacity to fulfill any indemnification obligations. As a result, these factors may cause potential labor liabilities for Funds and SMAs.
- Agricultural and timber properties are large areas of land that cannot be protected to any significant degree. There can be no assurance that such properties will not be subject to vandalism, sabotage, unauthorized cutting, trespass and/or pilferage by employees, contractors, competitors or others.
- Water is a fundamental component of any agricultural operation and the supply of water can be both uncertain and subject to political intervention. Furthermore, watercourses and water bore construction and maintenance (including the maintenance of existing easements relating to the taking of both surface and ground water and the construction and maintenance of irrigation systems) may be costly and time consuming, which may adversely affect the investments made by the Funds and SMAs.
- Many agricultural commodities have a limited lifetime during which they are marketable. Delayed shipments, inadequate packaging or poor storage conditions may result in crop rancidity. Delays in bringing products to market, transportation difficulties, poor weather and numerous other factors can lead to a complete loss of certain agricultural related investments. Additionally, the potential for contamination with various pathogens exists.
- The organizational documents of a Fund typically specify a limited time period as the term of the Fund, after which the Fund must liquidate any remaining investments and dissolve. While extensions of such term are provided for in the organizational documents, they typically require at least a majority of investors to approve such extension, and investors may choose to decline an extension. Given the illiquid nature of direct timber and

agricultural investments and cyclical market fluctuations, there is no guarantee that investments will be sold within a Fund's initial term or any extension thereof. Investments that are still held by a Fund after the expiry of its term may need to be sold at a substantial discount during liquidation.

- In structuring investments in the U.S., TRG may use entities intended to qualify as real estate investment trusts ("REITs") as soon as reasonably practicable after their formation. The requirements for qualification as a REIT are extremely complex. In seeking to comply with the requirements for taxation as a REIT and minimize any potential taxes payable by it, an investment entity may be required to limit or alter its activities, including by foregoing or delaying certain opportunities (including potential dispositions) that might otherwise be attractive on a pre-tax basis. Failure of an investment entity to qualify as a REIT could render it subject to tax on its income at regular corporate rates and possible penalties.

Prospective clients and investors should refer to the offering documentation of the applicable Fund or SMA, which may include a more thorough and tailored discussion of the risks applicable to an investment in the Fund or SMA.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of TRG or the integrity of TRG's management. As of the date hereof, TRG knows of no legal or disciplinary events that would be material to your evaluation of TRG or the integrity of TRG's management.

## **Item 10 – Other Financial Industry Activities and Affiliations**

TRG Management LP is affiliated through ownership and control with the Relying Advisers, each of which serves as general partner and investment adviser to certain of the Funds, and has engaged TRG Management LP to provide investment advisory and related services in respect of such Funds.

TRG Management LP also is affiliated through ownership and control with the SPVs, each of which serves as the general partner to, and has appointed TRG Management LP to act as investment adviser to, various TRG-sponsored investment limited partnerships. Certain SPVs also serve as the sole holder of the management shares of certain Companies and/or other Funds, and receive TRG's Performance Compensation in respect of certain Funds. Please refer to Item 6 for a description of certain conflicts of interest posed by TRG's receipt of Performance Compensation and how TRG addresses those conflicts. None of the SPVs is registered with the SEC as an investment adviser.

TRG Management LP also has several non-U.S. subsidiaries that perform a variety of services on its behalf (including portfolio advisory services, research, deal sourcing, trading, risk analysis, operations, marketing, investor relations and fund accounting services), which services from time to time may be rendered for the benefit of TRG Management LP's U.S. clients. These subsidiaries include the following entities and are hereinafter collectively referred to as the "Participating Affiliates":

- TRG Management Peru SRL
- TRG Brasil Servicos E Partipacoes Ltda.
- TRG Management Singapore Pte. Ltd.
- TRG Management Uruguay SRL
- TRG Management UK LLP
- TRG Renewable Resources New Zealand
- TRG Renewable Resources Uruguay SRL
- TRG Management Argentina SRL
- TRG Advisors India Private Limited

TRG Management LP has entered into services agreements with each of the Participating Affiliates to facilitate the provision of their services to TRG Management LP at arms-length. None of the Participating Affiliates is registered with the SEC as an investment adviser. Instead, each of the Participating Affiliates will conduct its business subject to the terms of a so-called participating affiliate agreement ("Participating Affiliate Agreement") pursuant to which, and consistent with the conditions set forth in a series of no-action letters issued by the SEC staff, the Participating Affiliates will remain subject to the regulatory supervision of both TRG and the SEC in certain respects, particularly in respect of the provision of investment advisory services for the benefit of TRG Management LP's U.S. clients.

TRG Management LP also has certain non-U.S. subsidiaries that render investment advisory services solely on behalf of certain non-U.S. clients, which may include non-U.S. clients of TRG Management LP. These subsidiaries include the following entities, which are hereinafter collectively referred to as the "Non-Participating Affiliates":

- Balam Fund I GP, L.P.

Each of the Non-Participating Affiliates conducts its investment advisory business subject to the supervision and control of TRG Management LP. However, none of the Non-Participating Affiliates is registered with the SEC as an investment adviser, nor have any of them entered into a Participating Affiliate Agreement (or similar agreement) with TRG Management LP.

TRG Management LP is also affiliated with two non-U.S. investment advisers, Capital Advisors Partners Asia Pte Ltd. ("CapAsia"), an infrastructure private equity manager based in Singapore,

and Balam Administradora S. de R.L. de C.V. (“Balam SRL”), a private equity manager based in Mexico, that solely advise non-U.S. clients. Neither CapAsia nor Balam SRL is registered with the SEC as an investment adviser, nor has either of them entered into a Participating Affiliate Agreement (or similar agreement) with TRG Management LP.

TRG Management LP is also affiliated with TRG Management Principals LP, which serves as TRG Management LP’s general partner, and TRG Allocation Principals LLC, which serves as TRG Allocation LLC’s managing member. TRG Management LP does not consider its relationship with any of these related entities to pose any material conflict of interest with respect to TRG’s clients.

With respect to Funds organized as Companies, a majority (and in some cases all) of the directors of such Funds are TRG personnel.

TRG Management LP does not consider its relationship with any of the aforementioned related persons to pose a material conflict of interest with respect to the firm’s clients.

TRG Management LP is registered with the U.S. Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator and a commodity trading advisor. In connection with such registrations, certain personnel of TRG Management LP are listed with the NFA as principals, and/or are registered with the CFTC as associated persons, of TRG Management LP.

TRG does not recommend or select other investment advisers for its clients for compensation.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Code of Ethics and Personal Trading**

TRG has adopted a Code of Ethics that sets forth appropriate ethical standards of business conduct that TRG requires of its employees, including compliance with applicable federal securities laws. TRG’s Code of Ethics is designed to enable TRG to monitor and protect the interests of its SMA clients and Fund investors, and to prevent conflicts of interest or abuse of TRG’s or its employees’ position of trust. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, certain restrictions on political contributions, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. Partners, officers and employees of TRG may from time to time have acquired or sold, or may subsequently acquire or sell, for their personal accounts, securities that may also be held, or have been purchased or sold, in an SMA’s or Fund’s portfolio, subject to compliance with the Code of Ethics.

Among other policies and systems of control, TRG’s Code of Ethics requires the prior approval of any acquisitions of securities in a limited offering (e.g., private placement), an initial public offering

or any personal investment in “reportable” (as defined in the Code of Ethics) securities. TRG’s Code of Ethics also includes a holding period on investments, as well as provisions addressing oversight monitoring, enforcement and recordkeeping. TRG’s Code of Ethics additionally includes the firm’s policies prohibiting the use of material non-public information and protecting the confidentiality of client information. To supervise compliance with these and other policies contained in its Code of Ethics, TRG requires that all employees provide initial and annual securities holding reports as well as quarterly transaction reports to the firm’s Chief Compliance Officer. All supervised persons at TRG must acknowledge the terms of the Code of Ethics annually, or as amended. The Compliance Department utilizes an automated Code of Ethics module to monitor its employees’ attestations and affirmations, and to assist with approving various other components of the firm’s Code of Ethics.

TRG’s Code of Ethics is available to TRG’s advisory clients and prospective clients upon request and without charge. Requests should be made to the Chief Compliance Officer at TRG’s principal office address set forth on the cover page of this Brochure.

## **Participation or Interest in Client Transactions**

### *Principal Transactions and Cross/Agency Cross Transactions*

From time to time TRG may effect “cross trades” between client accounts by causing a client to buy or sell securities directly from or to another client. With respect to any such transaction, (i) the transaction must be in the best interests of both clients, (ii) the transaction must be effected at a price that is fair to both of the clients participating in the transaction, and (iii) neither TRG nor any of its affiliates may receive any compensation for effecting the transaction. It is TRG’s policy that the firm generally will not effect any “principal transactions” or “agency cross transactions” with client accounts. “Principal transactions” are generally defined as transactions in which an investment adviser or its affiliate, acting as principal for its own account, buys a security from, or sells a security to, a client of the investment adviser. “Agency cross transactions” are generally defined as securities transactions in which a person acts as an investment adviser in relation to the transaction on behalf of one party and also acts (or its affiliate acts) as a broker in relation to the transaction on behalf of the other party. While it is TRG’s policy that the firm generally will not effect principal transactions with client accounts, under certain circumstances a cross trade involving a client in which TRG and/or its controlling persons hold in excess of 25% of the interests may be deemed to be a principal transaction under Section 206(3) of the Advisers Act. The Chief Compliance Officer (or his designee) may approve such deemed principal transactions provided that any such transaction is effected in compliance with Section 206(3) of the Advisers Act. With respect to any principal transaction, TRG must, prior to its completion, disclose to the client the capacity in which TRG is acting (and any other disclosures required pursuant to Section 206(3) of the Advisers Act) and obtain the client’s consent to the transaction. In cases where the client is an investment fund, such disclosure may be made to, and consent to the transaction may be obtained from, as applicable, (i) the fund’s board of directors (or similar governing body), or the board of directors (or similar governing body) of the fund’s general partner (or similar governing entity), as applicable, provided that the applicable board (or similar governing body) includes one or more members who are independent of TRG, and that the consent includes the unanimous consent of all



such independent members, or (ii) a committee of investors of the fund who are independent of TRG and are authorized by the fund to approve or disapprove of transactions to which the fund may be a party and that involve a conflict or potential conflict of interest of TRG.

The fact that TRG's principals, employees and other related persons, in their capacities as directors and/or general partners of certain clients, have financial ownership interests in those clients creates a potential conflict of interest in that it could cause TRG to make investment decisions that differ from those that it would make if such parties did not have such financial ownership interests. TRG may have an incentive to favor accounts in which such persons have such an interest with respect to trade allocations and/or allocations of investment opportunities.

#### *Outside Business Activities*

From time to time, certain employees of TRG hold positions (e.g., directorships or advisory board roles) or share other business relationships (e.g., consulting arrangements) with for-profit (including publicly traded companies) and not-for-profit entities. Such positions or relationships may give rise to various conflicts of interest (including as between the applicable employee's fiduciary duties to TRG and its clients, on the one hand, and to the applicable non-TRG entity, on the other hand), and may include positions or relationships with businesses that compete with, or that transact or may wish to transact with, TRG, its clients or companies in which TRG clients may invest. In instances where a TRG employee holds a position or other relationship with a business that competes with, or that transacts or may wish to transact with, TRG, its clients or companies in which TRG clients may invest, TRG may require the recusal of the TRG employee from any related negotiations or decision-making on behalf of the applicable TRG client(s) and non-TRG entity. Any such recusal may operate to the detriment of the applicable TRG client(s). In addition, under certain circumstances a TRG employee's position or other relationship with a non-TRG entity could cause TRG to develop an institutional bias in favor of transacting business with such entity (or to favor such entity in connection with any transaction with such entity), potentially to the detriment of TRG clients and notwithstanding implementation of any related recusal measures.

TRG employees' outside business activities also may entail potentially substantial compensation and time commitments of the applicable employee, neither of which should be expected to inure to the benefit of TRG clients and both of which can be expected to heighten the employee's conflicts of interest associated with allocating his or her time and attention as between TRG and its clients, on the one hand, and the applicable non-TRG entity, on the other hand. There can be no assurance that any conflicts related to TRG employees' outside business activities will be resolved in favor of TRG or its clients. TRG's Compliance Committee (consisting of, among others, TRG's Chief Compliance Officer, Chief Operations Officer and Chief Risk Officer) reviews each TRG employee's outside business activities on a quarterly basis to assess whether such activities are consistent with the applicable employee's duties to TRG and its clients.

In addition, TRG employees from time to time hold board positions (or similar governance positions) in respect of portfolio companies in which one or more TRG clients hold an interest. In such situations TRG expects that the interests of the applicable TRG client generally would align

with the interests of the applicable portfolio company, but there can be no assurance that the two will not diverge (including, for example, in situations involving the potential insolvency of a portfolio company), nor that the TRG employee serving on behalf of the portfolio company would resolve any such conflict in favor of the applicable TRG client. In the event of a proposed transaction between a TRG client, on the one hand, and a portfolio company (or any other non-TRG company) for which a TRG employee serves as a director or has any other affiliation, the TRG employee generally must abstain from negotiating, approving or voting for the transaction (whether as an employee of TRG or on behalf of the applicable non-TRG company), except in the ordinary course of providing his or her services to TRG on a fully disclosed basis or as otherwise determined by TRG's Chief Executive Officer after consultation with the Chief Compliance Officer.

From time to time certain TRG employees also may hold governance, consulting, advisory or similar positions on behalf of existing and/or potential clients of TRG, or on behalf of existing and/or potential investors in TRG-sponsored investment funds. Such outside business activities can be expected to create additional conflicts of interest for the relevant TRG employee, including as between the duties that the employee may directly owe to the existing or potential client or investor, on the one hand, and the duties that the employee owes to, and the financial incentives that the employee may possess to maintain or increase the assets under management of, TRG, on the other hand. Accordingly, to the extent that any such employee were to engage in any communication with, or any other activity on behalf of, any such existing or potential client or investor in relation to becoming or remaining such a client or investor, the existing or potential client or investor should not regard the TRG employee's advice or other activities as disinterested, and should seek independent advice as appropriate.

As noted above, TRG's Compliance Department reviews personal securities transactions of its employees to monitor compliance with TRG's Code of Ethics and relevant securities laws. In instances where TRG employees have reported outside business relationships with companies, including publicly traded companies, TRG also monitors and may restrict its clients' investment in, or disposition of, securities issued by those companies or other companies regarding which TRG employees may have acquired material non-public information through their outside business relationships, in each case potentially to the detriment of TRG clients. In addition, any such TRG employee who possesses confidential information regarding existing and potential investments and investment recommendations made (or to be made) by TRG on behalf of its clients would be prohibited from disclosing or using such information in connection with his or her outside business activities, but there can be no assurance that such disclosure or use will not in fact occur and operate to the detriment of TRG and its clients.

TRG employees from time to time may also establish family offices engaged primarily in asset management and related activities for the benefit of the employee, his or her family members and/or family trusts and related entities. TRG employees that maintain or participate in the management or oversight of such family offices can be expected to encounter additional instances of the conflicts of interest noted above (including, for example, competition for investment opportunities and for the employee's time and expertise generally), as between their family-office-

related responsibilities, on the one hand, and their duties to TRG and its clients, on the other hand. There can be no assurance that such conflicts will not materialize and inure to the detriment of TRG and its clients.

#### *Allocation of Investment Opportunities—Generally*

TRG acts as investment adviser to Funds and SMAs, some of which have similar investment objectives and pursue similar strategies. Certain investments identified by TRG may be appropriate for multiple clients and, particularly in respect of Funds or SMAs focused on common asset classes, some of these investment opportunities may be unique and/or limited. This can lead to potential conflicts of interest, particularly where the Funds and/or SMAs to which investments are to be allocated have varying management and performance fees. TRG applies an investment allocation approach designed to allocate all investment opportunities fairly and equitably over time.

While certain Funds and/or SMAs may contain explicit limitations regarding investments, most clients contain few such explicit limits that would be applicable in determining any given client's capital (including, for purposes of this paragraph, capital commitments) available for an investment (including for purposes of making allocations among clients). TRG makes determinations of a client's capital available for an investment using its best judgment, taking into account those factors TRG believes relevant. Such factors may include general investment objectives, diversification, regulatory restrictions, tax structuring considerations, current holdings, availability of capital for investment, reserves for expenses or follow-on contributions to existing investments, and the size of the investments generally. Ultimately, however, subject only to the explicit limitations in a client's governing documents or applicable investment management agreement, the determination of a client's capital available for a given investment is within TRG's discretion and judgment. TRG's management fees are generally based on invested, rather than committed capital, and as such TRG may face potential conflicts of interests in determining a client's capital available for a given investment because it has an incentive to ensure that sufficient amounts are allocated across eligible clients so that an investment will be completed.

In general, the private equity products require that proceeds from the sale of investments be distributed to investors and cannot be reinvested. As a result, sales of investments generally reduce TRG's management fees and TRG may face potential conflicts of interests in determining the appropriate time to dispose of a client's investment(s).

TRG or one of its related persons acts as the general partner of the Funds and may have a capital commitment in a Fund. Where applicable, TRG's capital commitment is generally made at the time of the initial formation of a Fund and may be increased at any time prior to the Fund's final closing so as to maintain the same overall ratio (e.g. 1%) relative to all investors in the Fund. Generally, capital commitments by TRG and its affiliates are not subject to the management fees and performance fees charged by the relevant Fund. In addition, as a result of its receipt of a performance-based special allocation, the general partner of a Fund may be allocated a disproportionate amount of capital gains for U.S. federal tax purposes relative to the capital balance

it or an affiliate has in the Fund. TRG may have an incentive to favor clients in which it and/or its members and employees may own a substantial interest or with respect to clients from which TRG may recognize taxable capital gains as the result of earning a performance-based special allocation.

#### *Allocation of Investment Opportunities—Allocation Policy Generally*

Whenever two or more clients participate in an investment opportunity, TRG creates an internal record setting out the orders in respect of each client. To the extent possible, this internal allocation record will generally determine the allocation of the order, with minimal deviation. For aggregated trade orders in respect of which each client trade order cannot be filled, the order will be allocated *pro rata* in proportion to the size of the orders placed in respect of each client.

Deviations are permitted only if all clients receive fair and equitable treatment and the reason for the different allocation is memorialized in an internal record and reviewed by the lead portfolio manager or CCO. Reasons for allocations differing from the initial allocation record or a *pro rata* allocation may include, but are not limited to: client investment guidelines and/or restrictions, available cash, liquidity requirements, legal requirements, or the discretion of the lead portfolio manager.

Where multiple executions are required to fill aggregated orders, TRG will attempt to obtain an average price that will be provided to all clients participating in the order.

#### *Allocation of Investment Opportunities—Forestry and Agriculture Investments*

In connection with forestry and agriculture investment opportunities, TRG first determines which clients are eligible to participate in such investment based on the attributes of the specific investment and each client's investment criteria. Whenever TRG determines that more than one client is eligible to participate in a particular investment opportunity, priority is generally given to the client(s) established earliest.

TRG may also give priority to a client that has little remaining committed capital available for investment in order to ensure that the client reaches full investment. In addition, in order to ease administrative burdens and other costs for both TRG and clients, TRG may set a minimum investment amount applicable to all clients participating in an investment opportunity. In the event that the general allocation approach would otherwise result in a client receiving an allocation of an investment opportunity that is less than the minimum investment amount determined by TRG, TRG may adjust such client's allocation upward and make a corresponding reduction in the allocation of all other participating clients.

## **Item 12 – Brokerage Practices**

### **Research and Other Soft Dollars Benefits**

Although permitted to do so, as an internal current operating policy TRG does not engage in “soft dollar” arrangements. In the event that TRG does engage in soft dollar arrangements, the following provides important information with respect to TRG’s policy.

If soft dollars are used, TRG intends that use of soft dollars will fall within the safe harbor for soft dollar arrangements relating to brokerage and research products and services created by Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended. In all such cases, TRG will make a good-faith determination that the services are used in the investment decision making process, and that total commissions paid to a Broker are reasonable in relation to the value of brokerage and research services provided. If in its judgment the commission is reasonable in relation to the brokerage and research services provided, TRG is authorized to pay a brokerage commission in excess of the commission another Broker would have received for effecting the same transaction.

Research services provided to TRG by Brokers may be used for the benefit of all Funds or SMAs, as the case may be, and do not necessarily need to benefit (solely, proportionately or otherwise) the Fund(s) or SMA(s) that generated the commissions.

TRG may place trades with Brokers in return for access to management personnel of companies that TRG is considering as potential investment opportunities. Since TRG may pay an increased commission to the Broker in return for this access, TRG will monitor this as a component of best execution in general, as discussed below. Brokers that TRG selects to execute transactions may from time to time refer clients to TRG. TRG will not make commitments to any Broker to compensate that Broker through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client’s interest in obtaining best execution on transactions and TRG’s interest in receiving future referrals.

### **Recommending Broker-Dealers**

As discretionary investment adviser to the Funds and SMAs, TRG is granted the discretionary authority in the relevant offering documents and/or management agreements to determine the brokers, dealers or counterparties (collectively “Brokers”) to be used, and the associated commissions or other rates to be paid.

TRG endeavors to select those Brokers which will provide the overall best execution at competitive rates. In placing orders to purchase and sell securities for the Funds or SMAs, TRG typically considers a number of factors in selecting appropriate Brokers including, but not limited to, the overall costs of a trade (i.e., net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of TRG’s knowledge of negotiated commission rates currently available and other current transaction costs; quality and consistency of market access and of execution, including accurate and timely execution, clearance and error/dispute resolution; the

Broker's ability to execute transactions of size in both liquid and illiquid markets at competitive market prices without disrupting the market for the security traded; the range of services offered by the Broker, including the quality and timeliness of market information (market color, ideas), the range of markets and products covered, quality of research services provided and recommendations made by the Broker; the Broker's provision of, and access to, companies (e.g., coverage of securities, access to public offerings and research materials); the Broker's responsiveness to queries; the Broker's reputation, financial strength and stability as compared with others; and the Broker's ability to efficiently document and settle trades, as well as the ease of setup and maintenance of the relationship.

In evaluating Brokers for transactions in various structured and derivative products, TRG may consider additional factors deemed relevant including, but not limited to, the range and availability of derivative products offered by the Broker; the operational expertise of the Broker in providing prompt confirmation, documentation, timely settlement and on-going operational support for the derivative products entered into by TRG; and the terms and appropriate documentation of the derivative transactions products by the Broker. While SMA clients may request for TRG to engage certain Brokers, TRG has no contractual obligations with the Funds requiring it to provide minimum amounts of trades to any Broker.

Funds and SMAs focused on direct investments in renewable resources do not use FINRA-regulated Brokers in connection with their investment activity. Rather, TRG may engage real estate brokers or other advisors to assist in the acquisition or disposition of properties in respect of such accounts. Factors considered in selecting such advisors and determining the reasonableness of their compensation include, among others, prior experience with property transactions of the same type and in the same geographical area as that in which the relevant client will be transacting, access to transaction flow and commission rates relative to other advisors evaluated by TRG either in connection with the same or previous transactions.

### **Aggregation of Orders**

At TRG's discretion, TRG will generally execute transactions for Funds and SMAs on an aggregated basis if TRG believes that to do so will allow it to obtain best execution and to negotiate at least as favorable commissions rates or other transaction costs than might have otherwise been paid had such orders been placed independently. When aggregating orders, TRG will seek to treat all Funds and SMAs in a fair and equitable manner.

From time to time, TRG may recommend that certain clients focused on investments in renewable resources engage in joint sales of investments. Such a situation would arise where TRG determines that there is an opportunity to sell a group of multiple investments owned by different clients together as a single portfolio (the "Portfolio") in a manner that TRG believes would increase returns beyond what could otherwise be obtained if those investments were sold separately. In such situations neither TRG nor any affiliated party receives a commission or similar transaction fee for such sale, but, depending on the overall performance of the selling clients, may receive performance fees as a result of the sale. Such joint sales have the potential for conflicts of interest in connection

with allocating the aggregate purchase price among the various investments included in the Portfolio. Conflicts of interest may also arise when initially selecting the investments to be included in the Portfolio or when determining how to respond to any buyer offers that involve a purchase of less than the entire Portfolio. Depending on the specific formula used to calculate TRG's incentive compensation in the various Funds or SMAs and each such client's prior performance, these conflicts may be heightened by differences in the economic incentives for TRG. In cases involving joint sales, TRG may seek approval of the transaction by the relevant clients (which in the case of Funds is granted by the investors in the Funds or an Advisory Committee comprised of voting representatives of investors unaffiliated with TRG) after notifying the relevant parties of the material information concerning the transaction, including the methodology for allocating the sale price among the investments included in the Portfolio and the general impact on TRG's fees as a result of the transaction.

Please refer to Item 11 for more detailed information regarding TRG's policy and procedures with respect to allocation of investment opportunities among its clients, and the associated conflicts of interest.

### **Item 13 – Review of Accounts**

Positions held by the Funds and SMAs to which TRG provides advice are continuously monitored and reviewed by the applicable portfolio manager(s), as well as TRG's risk managers. Funds and SMAs, as the case may be, are reviewed in the context of their stated investment objectives and guidelines. Additional reviews, including by more senior management, may be triggered by material changes in variables such as the Fund or SMA's individual circumstances, or the market, political or economic environment. In some cases, client requests may also trigger a review. Position reconciliations to verify and confirm portfolio holdings at the Funds' prime brokers and custodians, as well as OTC counterparties, are also performed by TRG's middle and back office in conjunction with the Funds' administrator, on a daily to monthly basis.

Investors in the Funds and SMAs managed by TRG are provided monthly or quarterly unaudited statements of the value of such investors' interest in the Fund or SMA prepared by the applicable Fund's or SMA's administrator, as well as monthly or quarterly newsletters from TRG discussing performance and more general market commentary. Such investors are also provided with annual audited financial statements (including, where applicable, independent appraisals of investments) and any other information necessary to enable each investor to prepare its income tax returns. TRG may also prepare and deliver to such investors, upon request, additional information it deems pertinent. TRG may provide additional information by special agreement with investors.

TRG may also host investor conferences (typically annually) for all clients and Fund investors for the purpose of reviewing developments in the industry and providing attendees with additional information about their investments.

Please refer to Item 15 for a more detailed discussion about reports provided in connection with custody of client's assets.

## **Item 14 – Client Referrals and Other Compensation**

TRG does not currently have, but in the future may enter into, referral arrangements with third-party solicitors whereby TRG will compensate such solicitors for referring SMA investment advisory clients to TRG. All such cash client solicitation arrangements will comply with Rule 206(4)-3 under the Advisers Act, with prospective clients being advised of the applicable solicitation and related payment arrangements accordingly. Any Management Fee and Performance Compensation that SMA clients would pay to TRG would not be increased due to any such referral arrangements.

TRG and its Funds also engage various third parties to introduce the Funds to potential investors in the Funds. TRG typically compensates such third parties through payment of a portion of the Management Fee earned by TRG in respect of the investor's investment in the applicable Fund.

From time to time TRG and/or its affiliates also may purchase (i) access to information such as subscriptions to periodicals or search services that contain requests for proposal, (ii) participation in conferences, (iii) research papers and (iv) access to surveys from organizations affiliated with professional consultant or financial services firms that advise (or whose affiliates advise) potential TRG clients or investors. While payments in respect of such purchases are not conditioned on favorable evaluations or client or investor referrals, consultants or financial services firms and/or their personnel may nonetheless have a financial incentive to give favorable evaluations of TRG. Accordingly, such persons may experience conflicts of interest when providing evaluations of TRG, and any favorable evaluations of TRG that they provide may not be disinterested.

TRG officers and other employees also may have familial and/or personal relationships with personnel of professional consultant or financial services firms that advise (or whose affiliates advise) potential TRG clients or investors or that recommend TRG services. TRG, in its sole discretion, also may waive investment minimums for clients of consultants and persons who work for consultants. Clients thus should inquire of their consultants or other advisers as to whether TRG (i) waived investment minimums for their clients or personnel, (ii) purchases or receives any information from such firm or any affiliate thereof, (iii) has personnel that have familial and/or personal relationships with the consultant or adviser, and/or (iv) is involved in any other arrangement where the consultant or adviser believes it has any financial incentive to give favorable evaluations of TRG.



## **Item 15 – Custody**

Fund investors receive monthly statements (quarterly for investors in Funds pursuing private equity strategies, and at least quarterly for investors in Funds pursuing forestry and agriculture strategies) from the administrator that maintains client's investment assets, while SMA clients receive statements from their respective custodian directly. Clients should carefully review those statements.

Investors in the Funds also receive the applicable Fund's annual financial statements audited by an independent public accounting firm, generally within 120 days of each Fund's fiscal year end (or within 180 days for any Fund that is a "fund of funds"). TRG urges its Fund investors to carefully review such statements and compare such official administrator and custodial records to the account statements that TRG may provide to you. TRG's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

Pursuant to the investment management agreements by which TRG agrees to manage each Fund and SMA, TRG typically (but not always) receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities or other investments to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives, policies, limitations and restrictions for the particular client account. Such criteria vary from one client to another and may include, but are not limited to, diversification requirements, return hurdle, geographic limitations and asset class limitations.

## **Item 17 – Voting Client Securities**

Glass, Lewis & Co. ("Glass Lewis") has been appointed as the independent proxy voting agent to vote proxies on behalf of the TRG public market Funds and SMAs. As such, proxy votes are cast utilizing a pre-established set of policy guidelines recommended by Glass Lewis and approved by TRG. Glass Lewis makes its recommendations based on its independent, objective analysis of the economic interests of shareholders. This process is designed to ensure that votes are cast in the best interests of the hedge funds or SMAs, and to insulate voting decisions from any potential conflicts of interest.

TRG's portfolio managers generally act in accordance with the policy guidelines. However, they may override such guidelines if they feel that a Fund or SMA client's interests would be better served by doing so. In such cases, TRG has established procedures designed to ensure that no material conflict of interest exists before a vote outside of the policy guidelines is cast. Should any material conflict of interest be identified, however, the portfolio manager would be prohibited from overriding the policy guidelines. TRG generally votes consistently on the same matter when securities of an issuer are held by multiple Funds and SMAs. However, it may vote securities differently on behalf of a given SMA if provided with explicit voting instructions in advance of the particular solicitation by such SMA client.

For TRG's private equity funds ("PE Funds"), it is TRG's policy to vote all proxies pursuant to the Fund's stated investment objective, which is generally to achieve significant capital appreciation through its investments. TRG seeks and accepts the election of one or more representatives to serve on the board of directors of certain portfolio companies on behalf of its PE Funds. With the TRG representative board member's approval, TRG shall generally vote proxies in favor of: (i) the management's recommendation for the election of the board of directors; (ii) the selection of the independent auditors; and (iii) the approval of financial statements as presented by management. Notwithstanding the foregoing, for PE Funds, voting typically occurs in the manner prescribed in the shareholder agreement, or similar document. Where it is determined that a material conflict of interest may exist for an PE Fund, TRG shall take reasonable steps to ensure the conflict does not influence the decision to vote a proxy in a manner that is not in the best interest of the PE Funds or its investors.

In respect of Funds and SMAs focused on forestry and agriculture investments, given the nature of such investments, TRG does not anticipate proxy solicitations and generally does not accept authority to vote client securities. If applicable, TRG will provide clients with any proxy solicitation materials received but will not advise clients with respect to a particular solicitation. In some cases, however, TRG may determine that it is in the client's best interest for TRG to accept authority to vote client securities, in which case it would apply the policy described above that TRG applies to its PE Funds.

TRG's complete proxy voting policies and procedures have been memorialized in writing and are available for investors to review upon request. Additionally, information about how TRG voted proxies in the past will be made available on request.

## **Item 18 – Financial Information**

As of the date hereof, TRG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy petition.